

**CITY OF ATLANTA GENERAL EMPLOYEES'
PENSION FUND**

**PERFORMANCE REPORT
PERIOD ENDING
DECEMBER 31, 2011**

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GRAY & COMPANY

CAPITAL MARKET REVIEW

Fourth Quarter 2011

CAPITAL MARKET HEADLINES

Risk Management

"It's tough to make predictions, especially about the future." - Yogi Berra

Risk management is a popular topic in investing today, especially for pension plans, endowments, and foundations. The definition of risk we adhere to is "the potential that a chosen action will lead to an undesirable outcome". Risk management is the attempt to lower the possibility of the occurrence of specified undesirable outcomes in the future.

"Risk is in the eye of the beholder." – Adapted

The recent economic crisis highlighted the risks investors face in managing their retirement plans, endowments, and foundations. Further, it is now clear risks vary from sponsor to sponsor – what represents real or perceived risk to a sponsor of a public plan can be very different than risks to a Taft-Hartley plan sponsor and is certainly different to risk associated with an endowment or foundation. Therefore, the first step in risk management is the identification of the undesirable outcomes with the investor. Mitigating these risks is of prime importance.

"Facts do not cease to exist because they are ignored." - Aldous Huxley

Measuring risk is the next step in the process. This measurement is typically done through an asset allocation or asset-liability study. Using state-of-the-art software, we are able to model a Plan's liabilities with the current asset allocation to forecast future contributions or underfunding risks. After projecting the Plan's current benefit structure and modeling the current asset allocation policy, we review several Plan options in an attempt to identify a superior risk profile. Primarily this focuses on the asset allocation policy, however, Plan design, contribution patterns, and spending policies are also included in this review.

The benefits of Liability Driven Investing (LDI) are presented and the risks may be quantified. Additionally, a dynamic or varying asset allocation policy may be reviewed; the policy tends to be based on achieving a certain funded status, but may also be customized. This strategy has come to be known as Dynamic Asset Allocation.

"In theory there is no difference between theory and practice. In practice there is." - Jan L. A. van de Snepscheut

Implementation of any changes to strategies is the next step in improving the risk profile. This may involve changes that are easily implemented but often in more sophisticated techniques requires experience and familiarity with complex financial transactions. Ongoing monitoring and reporting of the metrics associated with the identified risks facilitates continued success and improvement.

In summary, proper risk management incorporates the following steps:

- > Identification of relevant risk metrics
- > Measuring current risk exposures
- > Evaluating alternatives to improve risk profile
- > Implementing solutions
- > Monitoring plan progress

Please ask your consultant about these important services in 2012.

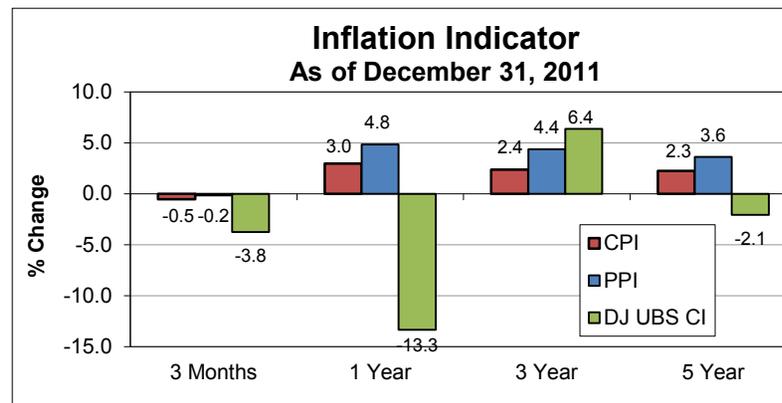
CAPITAL MARKET REVIEW

Intact: Amidst a sea of uncertainty, driven by macroeconomic and geo-political strife, the U.S. economy hobbled across the year-end finish line battered and bruised but intact. A debt downgrade, budget ceiling debate, and vacillation emanating from the Eurozone crisis did not deter the U.S. economy from showing some signs of life. Improving economic data released in the fourth quarter included durable goods orders, home sales, jobless claims, unemployment, and consumer spending (surprisingly robust in the year-end holiday season). These improvements led to an increase in growth forecast for the quarter towards the 3% range.

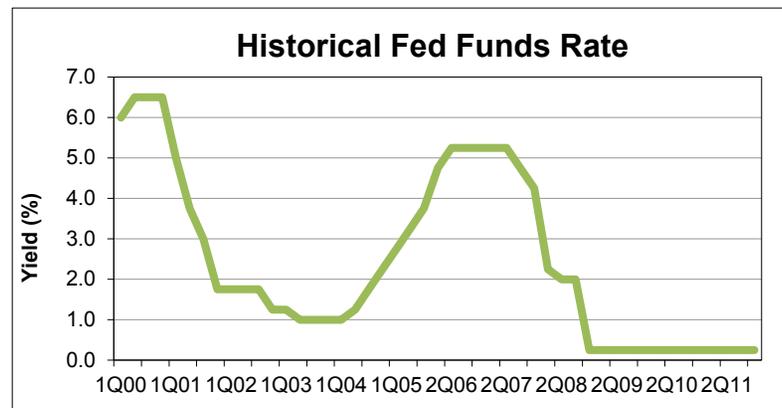
Commodity prices continued to weaken during the fourth quarter, with one notable exception - Oil. The decline in commodities during the quarter was due to slowing global growth, particularly in the emerging markets, and the relative strength of the dollar. Oil helped offset the losses in other commodities, rising nearly \$20 / barrel or 25% during the quarter; the surge in oil is partly due to low inventory levels, which creates an environment for sharp price swings. The CPI and PPI were both negative during the quarter, but ended the year near long-term historical averages.

The federal funds target rate continues to be maintained in a range between 0.0% and 0.25%. The Fed's "Operation Twist" program enacted in the previous quarter also appears to be facilitating their goal of keeping interest rates low as the economy continues to recover.

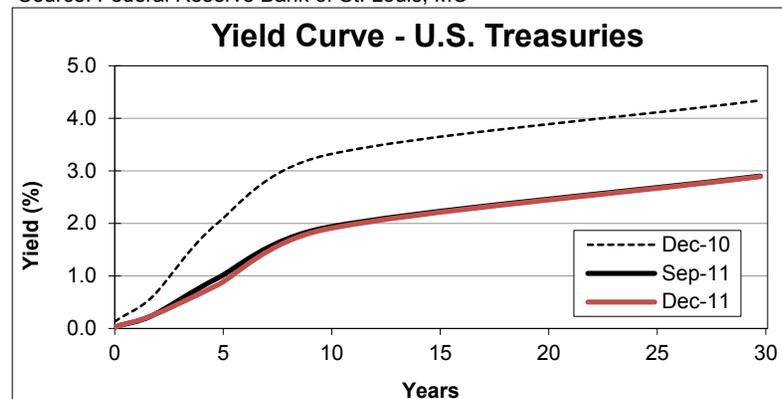
Somewhat of a surprise was the yield curve shifting slightly downward in a quarter that exhibited the oft-used "risk-on" moniker. A rebound in riskier assets normally coincides with a shift away from treasuries and a subsequent rise in rates. However, the continued safe haven status of the U.S. and the Fed's intervention into the markets are reasons for the stability of the yield curve in a period that favored riskier assets.



Source: Bureau of Labor Statistics, Wilshire and Dow Jones



Source: Federal Reserve Bank of St. Louis, MO



Source: Federal Reserve Bank of St. Louis, MO

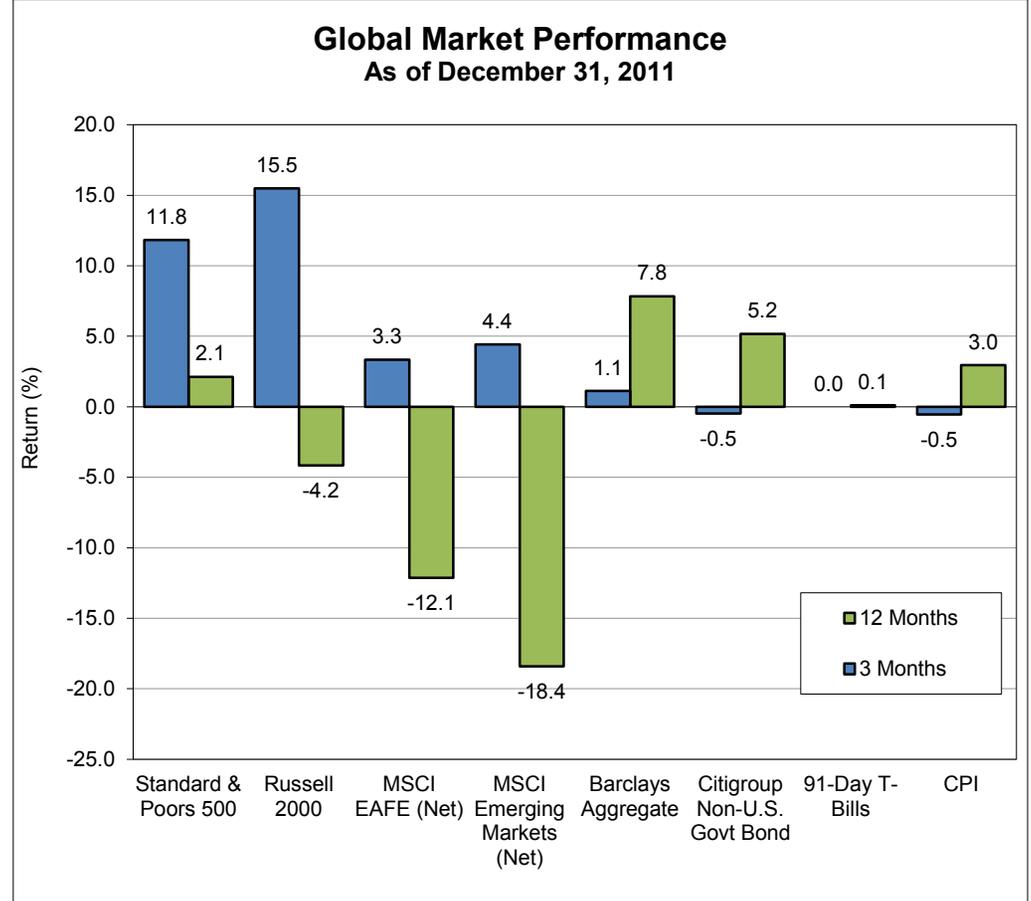
CAPITAL MARKET REVIEW

Hi Mom, Send Money: The global economic slowdown that the markets anticipated during the summer did not materialize. The sovereign debt crisis continues in Europe and areas of weak or negative growth exist, but the majority of economic data surprised on the upside during the quarter, notably in the U.S. and China. However, the full year results from the capital markets failed to meet most investors' performance objectives.

The equity markets rewarded persevering investors with solid returns during the quarter, particularly in October. This quarter's performance follows the dreadful results in the equity markets during the third quarter, where investors may have been tempted to reduce their equity exposures. The performance was largely driven by the realization that the global economy appears to be recovering better than expected. U.S. equities provided the best results, generating double digit returns. European stocks were positive, but the results were muted due to the debt crisis. Japan was the exception within the developed markets; equities fell approximately 4% during the quarter as their economy continues to worsen.

The fixed income markets also generated positive performance, partly due to the intervention of central banks. With inflation fears subsiding, central banks tended to cut lending rates and enact accommodative policies, including the European Central Bank lowering the target interest rate by 50 basis points and the Bank of London adding to their quantitative easing efforts. The sovereign debt crisis continued to intensify in Europe with the focus on Spain and Italy; rating agencies lowered the credit ratings of several nations in the region. Spreads tended to contract around the globe this quarter, favoring corporate debt.

The Euro continued to come under pressure due to the sovereign debt crisis and slowing economic growth in the region; the Euro dropped below the \$1.30 mark, a new 15 month low. The dollar's strength hurt U.S. investors with European allocations. The dollar was nearly unchanged with the Pound Sterling and Japanese Yen.



Source: Wilshire

Indexes are not investments, are not managed, and do not incur fees or expenses. It is not possible to invest in an index. Please see additional disclosures at the end of this review.

U.S. EQUITY MARKET

Total Returns (%) - Periods Ending December 31, 2011				
	3 Months	1 Year	3 Years	5 Years
Standard & Poors 500	11.82	2.12	14.10	(0.25)
Russell 1000	11.85	1.51	14.81	(0.02)
Russell 1000 Growth	10.60	2.63	18.02	2.50
Russell 1000 Value	13.11	0.39	11.55	(2.64)
S&P MidCap 400	12.99	(1.73)	19.58	3.32
Russell Midcap	12.31	(1.56)	20.17	1.41
S&P SmallCap 600	17.17	1.01	17.01	1.94
Russell 2000	15.48	(4.17)	15.63	0.15
Russell 2000 Growth	14.99	(2.92)	19.00	2.09
Russell 2000 Value	15.97	(5.50)	12.36	(1.87)
S&P 500 Sector Performance				
	3 Months	1 Year	3 Years	5 Years
Energy	18.22	4.37	13.01	4.81
Materials	15.32	(9.25)	17.98	1.23
Industrials	16.61	(0.57)	15.11	0.63
Con. Discretionary	12.68	6.16	24.11	1.95
Con. Staples	10.26	13.84	14.27	7.40
Health Care	10.07	12.84	11.49	2.68
Financials	10.83	(17.19)	3.00	(16.77)
Info Technology	8.78	2.81	22.40	4.09
Telecommunications	7.62	6.03	12.09	1.62
Utilities	8.25	19.98	12.50	3.84

Returns are annualized for periods greater than one year.

Source: Wilshire

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Shifting Sentiment: U.S. equity markets experienced a sharp rally in the fourth quarter, but still only managed to eke out a small gain over the year. Despite an 11.82% return for the quarter, the S&P 500 finished the year with just 2.12% gain. The majority of the quarter's return came in the month of October, following the plunge in equity prices over the summer. The double digit returns in the fourth quarter contributed to the volatility in markets. During the year the equity markets shifted directions and leadership; the first quarter generated mid single digit returns, the second quarter was flat, the third quarter produced a double digit decline, and the fourth quarter provided strong results. The markets have seen investor sentiment shift between guarded optimism to double dip recession fears and back again.

Small Cap led the way for the quarter as investors ventured back into riskier assets. Value outpaced Growth across the market capitalization spectrum as the Energy sector, typically associated with the Value style of investing, led the way among the sectors.

The Cyclical/ Economically Sensitive sectors (Energy, Materials, Industrials, and Consumer Discretionary) were the best performers for the quarter as "risk on" was back on. All sectors had positive returns for the quarter with most generating double digit returns. The Defensive sectors (Consumer Staples, Health Care, Technology, Telecom and Utilities) trailed the broader market during the quarter, but were among the best performers for the year..

For the year, investors were mostly in a defensive mode as Large Cap led the U.S. equity markets. This defensive mode was clearly evidenced in the almost 20% return of the Utilities sector, which is well known for its dividend yield attributes.

U.S. FIXED INCOME MARKET

Four-Peat: The fixed income markets posted a perfect record in 2011 with four consecutive quarters of positive performance for the broad fixed income benchmarks. Investors continued to favor the safety of the U.S. market over the uncertainty in Europe. The yield curve held steady during the quarter; at year-end the 2-Year Treasury Notes yielded 0.25% (unchanged from 9/30/11), 10-Year Treasury Bonds yielded 1.89% (down 3 basis points from 9/30/11), and 30-Year Treasury Bonds yielded 2.89% (down 1 basis point from 9/30/11).

The Federal Reserve has expressed its goal of stabilizing the housing market. First with Operation Twist in June 2011, a program in which the central bank shifts their holdings in short-term securities (bonds accumulated as part of their Quantitative Easing programs - QE and QEII) to longer maturity instruments. The intent of this program was to lower longer-term yields, that in turn will reduce mortgage rates and promote additional spending. Additionally, the Fed has been promoting the idea of additional measures for the housing market and investors are speculating a Quantitative Easing III will be announced in 2012.

Credit issues led within the broad fixed markets - Barclays Credit returned 1.7% and Barclays High Yield returned 6.5%. The relatively strong results are attributed to spread contraction as investors became less fearful of a second recession in the U.S. TIPS also generated strong performance due to their inflation protection. Government and Mortgages lagged, but provided positive results during the fourth quarter.

With yields near all time lows, the potential for losses due to rising rates is a concern. However, the asset class has shown the ability to protect investors during periods of weakness in the equity markets. The fixed income markets will be influenced by the strength of the economic recovery and Federal Reserve's actions.

Total Returns (%) - Periods Ending December 31, 2011				
	3 Months	1 Year	3 Years	5 Years
Barclays 1-3 Yr Govt	0.21	1.56	1.79	3.80
Barclays Intm G/C	0.84	5.81	5.64	5.88
Barclays Aggregate	1.12	7.84	6.77	6.50
Barclays G/C	1.18	8.73	6.60	6.55
Barclays Long Govt	1.80	29.14	7.47	10.80
Barclays Govt	0.84	9.02	4.01	6.56
Barclays Credit	1.70	8.35	10.90	6.80
Barclays Mortgage	0.88	6.23	5.83	6.52
Barclays High Yield	6.46	4.98	24.12	7.54
Barclays U.S TIPS	2.69	13.56	10.38	7.95

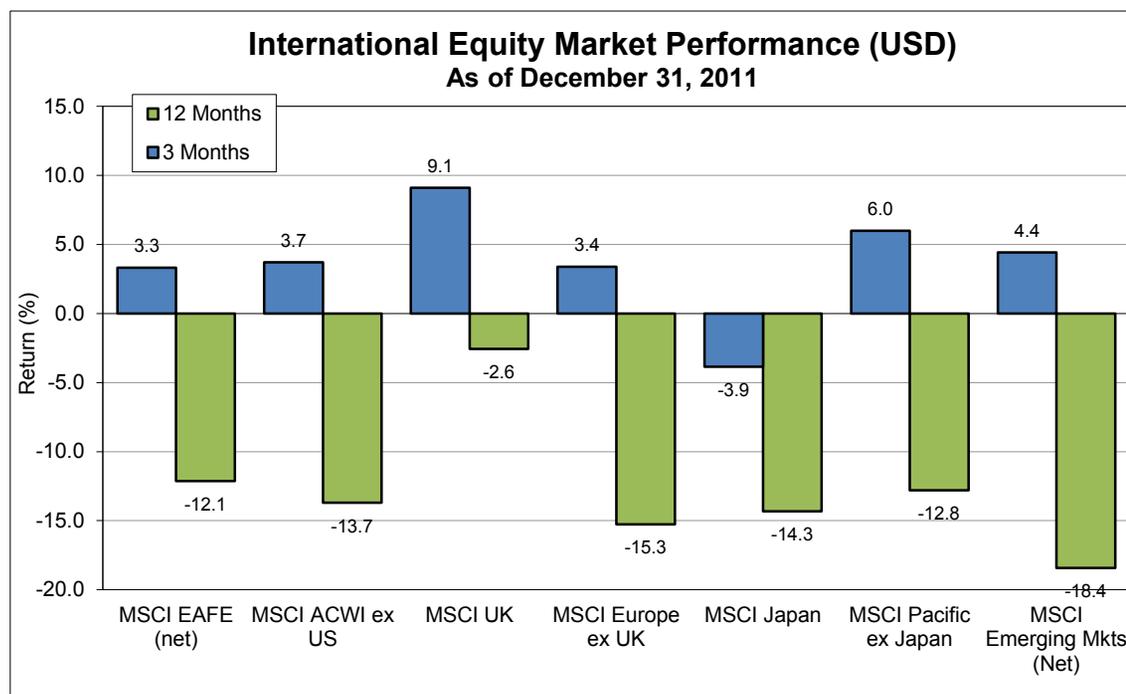
Returns are annualized for periods greater than one year. Source: Barclays Capital.

Credit Spreads (in basis points)				
	Sep-11	Dec-11	Change	10-Yr Avg.
Aaa	94	75	(19)	103
Aa	149	158	9	126
A	238	225	(13)	177
Baa	292	283	(9)	251
Ba	641	549	(92)	473
B	817	727	(90)	643
Caa	1253	1140	(113)	1164

Source: Barclays Capital.

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INTERNATIONAL EQUITY MARKET



MSCI Country Indexes (Net) Three Months Ending December 31, 2011

	Return USD (%)	Return Local Currency (%)	Currency Effect (%)
France	2.7	6.1	(3.4)
Germany	3.9	7.4	(3.5)
Italy	0.7	4.1	(3.4)
Spain	(2.2)	1.1	(3.3)
Switzerland	4.1	7.2	(3.1)
UK	9.1	9.4	(0.3)
Europe Total	5.4	7.5	(2.1)
Australia	7.5	1.9	5.6
Hong Kong	6.3	6.0	0.3
Japan	(3.9)	(4.0)	0.2
Pacific Total	(0.3)	(1.8)	1.5
China	8.1	7.9	0.3
India	(14.3)	(7.0)	(7.2)
Brazil	8.8	9.3	(0.5)
Russia	6.2	5.9	0.3
Emerging Total	4.4	4.8	(0.4)

Indexes are not investments, are not managed, and do not incur fees or expenses. It is not possible to invest in an index.

Source: MSCI

Volatile: International equity markets generated positive returns in the quarter, but posted double digit losses for the year. Civil unrest in the Middle East and Northern Africa, the natural disaster in Japan, and the escalating Eurozone debt crisis were among the global events that fanned the flames of volatility in global markets in 2011. The situation in Europe has garnered the lions' share of financial headlines, as the political and financial leaders struggle to find an acceptable solution to the public debt levels.

Europe The debt crisis intensified, European summits multiplied, and the question remains how will the Euro block stay unified. Expectations for a recession in 2012 increased across the region. For the quarter, the majority of developed European countries managed to generate positive returns; however, the gains in the quarter weren't enough to offset earlier losses in the year and most European equity markets finishing the year with double digit declines. The UK was the standout, achieving a 9.1% return in the quarter and finishing the year with a -2.6% return.

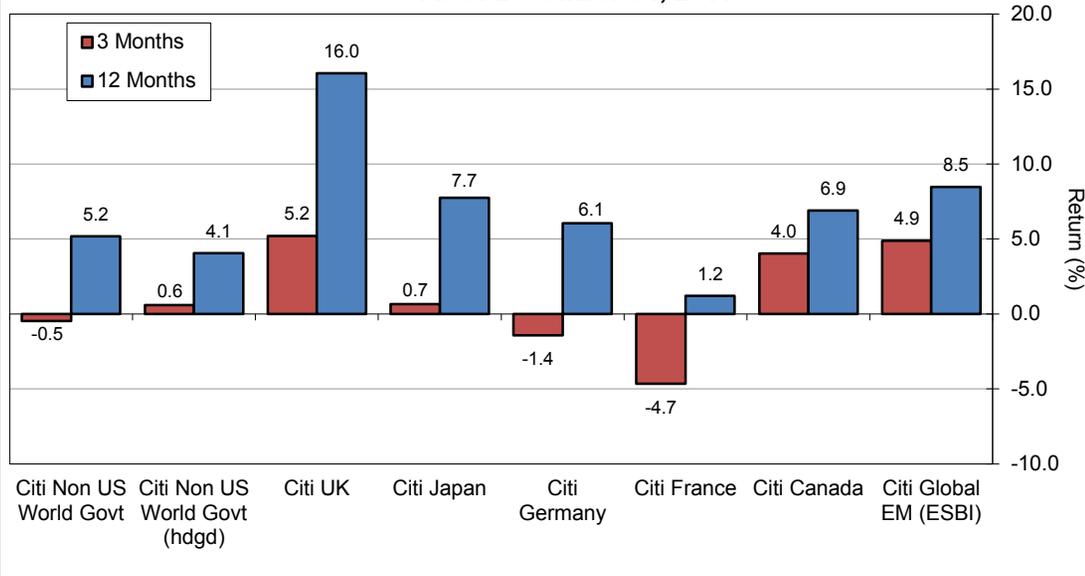
Asia Japan was one of only a few developed countries to experience negative returns in the quarter. The strength of the Yen and weakening global economy continued to hinder the country's exports, a major component of their gross domestic product (GDP); during the quarter GDP likely contracted in line with the reduction in exports. If confirmed, December would mark the third consecutive month of economic contraction.

Emerging Markets The broader Emerging Markets posted single digit returns in the quarter, led by China and Latin America. Taming inflation was the name of the game for most of 2011. China appears to have won that battle for now as monthly inflation readings receded, allowing for an easing of interest rates and banking capital reserve requirements. Latin America's fate seems to be inextricably linked to the growth prospects for Europe and China, which are major importers of Latin American goods and provide necessary capital to the region. The Emerging Markets are expected to experience economic growth rates well above the forecasted rates in the developed markets.

INTERNATIONAL BOND MARKET

Intl Fixed Income Market Performance (USD)

As of December 31, 2011



Citigroup World Government Bond Indexes Three Months Ending December 31, 2011

	Return		
	Return USD (%)	Local Currency (%)	Currency Effect (%)
France	-4.7	-1.5	-3.2
Germany	-1.4	1.9	-3.3
Ireland	-4.8	-1.6	-3.2
Italy	-6.2	-3.0	-3.2
Netherlands	-1.8	1.5	-3.3
Portugal	-6.8	-3.7	-3.1
Spain	-1.5	1.8	-3.3
Sweden	2.4	2.2	0.2
Switzerland	-1.5	1.4	-2.9
UK	5.2	5.5	-0.3
Europe Total	-3.7	-0.4	-3.2
Japan	0.7	0.5	0.2
Australia	9.1	3.5	5.7
Canada	4.0	1.7	2.4

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Source: The Yield Book

Have and Have Not's: The sovereign debt crisis worsened in Europe with the gap expanding between the fiscally strong nations and the overly indebted countries. Yields continued to fall in most major markets as global economic growth remains sluggish.

In Europe, the speculation of a default by Greece and the mounting debt burden in Italy and Spain led to political leadership changes within those countries. The European community increase the bailout fund to €1 trillion and the European Central Bank lowered rates by 0.5% to 1.0%, but investors' fears pushed yields higher for many of the weaker nations. Across the Eurozone, countries were downgraded or placed on negative watch by the rating agencies due to the evolving sovereign debt crisis. During the quarter, the Euro declined approximately 3% versus the dollar.

In the U.K. the Bank of England initiated another round of quantitative easing, adding £75 billion to their stimulus program in an effort to spur the economy. Inflationary pressures (a concern in prior periods) appear to be waning; the central bank maintained the target rate at 0.5%. The accommodative policies inspired fixed income investors, pulling yields down and generating strong returns for the quarter. The Pound Sterling was nearly unchanged versus the

dollar.

In Japan, the fixed income markets generated minimal gains as yields were nearly unchanged during the quarter. Demand for Japanese government bonds was robust as investors dismissed warnings from rating agencies. The Yen appreciated during the quarter despite the intervention efforts of the Ministry of Finance.

In the emerging markets, the fixed income investments tended to provide robust returns. Latin American issuers provided the best results, led by Uruguay, Brazil, and Mexico. Government debt from Eastern European countries under performed; Hungary was downgraded by the rating agencies and the debt declined by 14% during the quarter. Dollar denominated bonds performed best, as most emerging market currencies tended to lose value against the dollar. Emerging market debt continues to offer favorable characteristics, including superior economic growth prospects, sound fiscal policies, and attractive relative yields.

SELECTED INDEX RETURNS - PERIODS ENDING DECEMBER 31, 2011

	Quarter	One Year	Three Years	Five Years	Ten Years
US EQUITIES					
Dow Jones Industrial Average	12.8 %	8.4	14.9	2.4	4.6
Standard & Poors 500	11.8	2.1	14.1	(0.3)	2.9
Russell 3000	12.1	1.0	14.9	(0.0)	3.5
S&P MidCap 400	13.0	(1.7)	19.6	3.3	7.0
Russell Mid-Cap	12.3	(1.6)	20.2	1.4	7.0
S&P SmallCap 600	17.2	1.0	17.0	1.9	7.1
Russell 2000	15.5	(4.2)	15.6	0.2	5.6
Growth Stocks - Russell 3000 Growth	11.0	2.2	18.1	2.5	2.7
Value Stocks - Russell 3000 Value	13.3	(0.1)	11.6	(2.6)	4.1

US FIXED INCOME					
Barclays 1 - 3 Year Government	0.2 %	1.6	1.8	3.8	3.4
Barclays Intm Govt/Credit	0.8	5.8	5.6	5.9	5.2
Barclays Aggregate	1.1	7.8	6.8	6.5	5.8
Barclays Govt/Credit	1.2	8.7	6.6	6.6	5.9
Barclays Long Government	1.8	29.1	7.5	10.8	8.9
Barclays Government	0.8	9.0	4.0	6.6	5.6
Barclays Credit	1.7	8.4	10.9	6.8	6.4
Barclays Mortgage	0.9	6.2	5.8	6.5	5.7
Barclays High Yield	6.5	5.0	24.1	7.5	8.9
Barclays U.S TIPS	2.7	13.6	10.4	8.0	7.6

INTERNATIONAL (Measured in US Dollars)					
MSCI EAFE (Net)	3.3 %	(12.1)	7.7	(4.7)	4.7
MSCI ACWI ex U.S. (Net)	3.7	(13.7)	10.7	(2.9)	6.3
MSCI Europe (Net)	5.4	(11.1)	7.9	(5.2)	4.3
MSCI Pacific (Net)	(0.3)	(13.7)	7.5	(3.6)	5.5
MSCI Emerging Markets (Net)	4.4	(18.4)	20.1	2.4	13.9
Citigroup Non-U.S. Govt Bond	(0.5)	5.2	4.9	7.2	8.4

REAL ESTATE					
NAREIT Index	14.6 %	7.5	20.5	(2.1)	9.5
NCREIF Property Index					

OTHER					
91-Day T-Bills	0.0 %	0.1	0.1	1.5	2.0
Consumer Price Index (percent change)	(0.5)	3.0	2.4	2.3	2.5
Producer Price Index (percent change)	(0.2)	4.8	4.4	3.6	3.4

Note: Returns for periods longer than 12 months are annualized. Indices are not investments, are unmanaged and do not incur fees or expenses. It is not possible to invest in an index.

DISCLOSURE

This Capital Market Review represents the opinions, investment strategies and views of Gray & Company and is based on current market conditions. The view expressed in the Capital Market Review is subject to change without notice. This Capital Market Review commentary is provided for informational purposes only and should not be construed as investment advice nor is it meant to be a solicitation or offer to purchase any product or service. Readers are encouraged to consult with their investment, legal or tax professional before making any investment decisions. We believe the information contained in this material to be reliable but do not warrant its accuracy or completeness.

Definitions:

BC (Barclays Capital) Treasury provides a measure of riskless return.

The **Dow Jones Industrial Averages** contains the stocks of 30 companies that are all major factors in their industries, and their stocks are widely held by individuals and institutional investors. As of December 31, 2008, The Dow® represented 27% of the float-adjusted market capitalization of the Dow Jones U.S. TSM Index, which provides near complete coverage of the U.S. stock market. The DJIA serves the same purpose today for which it was created in 1896 – to provide a clear, straightforward view of the stock market and, by extension, the U.S. economy.

The **S&P 500 Index** is a capitalization weighted index of the 500 largest publicly traded companies in the US and is widely accepted as the overall market proxy. It consists of 400 industrials, 40 utilities, 20 transportation stocks and 40 financial institutions issues when totaled covers approximately 75% of the US equities market.

The **Russell 3000 Index** measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

The **Russell 2000 Index** measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000® Index representing approximately 8% of the total market capitalization of that index. It includes approximately 2,000 of the smallest securities based on a combination of their market cap and current index membership.

The **Russell 1000 Index** is composed of the 1000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. The average capitalization was approximately \$12.1 billion; the median market capitalization was approximately \$3.8 billion. The smallest company in the index had an approximate market capitalization of \$1350.8 million.

The **S&P MidCap 400** provides investors with a benchmark for mid-sized companies. The index covers over 7% of the U.S. equity market, and seeks to remain an accurate measure of mid-sized companies, reflecting the risk and return characteristics of the broader mid-cap universe on an on-going basis

The **S&P SmallCap 600** covers approximately 3% of the domestic equities market. Measuring the small cap segment of the market that is typically renowned for poor trading liquidity and financial instability, the index is designed to be an efficient portfolio of companies that meet specific inclusion criteria to ensure that they are investable and financially viable.

The **Russell 3000 Growth Index** measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 3000 Value Index** measures the performance of the broad value segment of the U.S. equity universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 2000 Growth Index** measures the performance of the small-cap growth segment of the U.S. equity universe. It includes those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values.

The **Russell 2000 Value Index** measures the performance of small-cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

The **Russell 1000 Growth Index** is composed of those stocks in the Russell 1000 Index with greater than average growth orientation. The Russell Growth Index represents the universe of stocks from which most growth style money managers typically select.

The **Russell 1000 Value Index** is composed of those stocks in the Russell 1000 Index with less than average growth orientation. The Russell Value Index represents the universe of stocks from which most value style money managers typically select.

The **Barclays U.S. Aggregate Bond Index** is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. The U.S. Aggregate rolls up into other Barclays Capital flagship indices such as the multi-currency Global Aggregate Index and the U.S. Universal Index, which includes high yield and emerging markets debt. The U.S. Aggregate Index was created in 1986, with index history backfilled to January 1, 1976.

The **Barclays Govt/Credit Index** is the non-securitized component of the U.S. Aggregate Index and was the first macro index launched by Barclays Capital. The U.S. Government/Credit Index includes Treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year), government-related issues (i.e., agency, sovereign, supranational, and local authority debt), and corporates. The U.S. Government/Credit Index was launched on January 1, 1979, with index history backfilled to 1973, and is a subset of the U.S. Aggregate Index.

The **Barclays U.S. Government Index** is comprised of the U.S. Treasury and U.S. Agency Indices. The U.S. Government Index includes Treasuries (public obligations of the U.S. Treasury that have remaining maturities of more than one year) and U.S. agency debentures (publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The U.S. Government Index is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

The **Barclays US Credit Index** comprises the US Corporate Index and a non-corporate component that includes foreign agencies, sovereigns, supranationals and local authorities. The US Credit Index was called the US Corporate Investment Grade Index until July 2000, when it was renamed to reflect its inclusion of both corporate and non-corporate issuers. Index history is available back to 1973. The US Credit Index is a subset of the US Government/Credit Index and the US Aggregate Index.

DISCLOSURE

The **Barclays Capital U.S. MBS (Mortgage) Index** measures the performance of investment grade fixed-rate mortgage-backed pass-through securities of GNMA, FNMA, and FHLMC.

The **Barclays U.S. Corporate High-Yield Index** measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds. Securities are classified as high yield if the middle rating of Moody's, Fitch, and S&P is Ba1/BB+/BB+ or below. The index excludes emerging market debt. It was created in 1986, with history backfilled to July 1, 1983. The U.S. Corporate High-Yield Index is part of the U.S. Universal and Global High-Yield Indices.

The **Barclays U.S. TIPS** is a part of the Barclays Capital family of global inflation linked bond indices, the Barclays Capital US Government Inflation-linked bond index (US TIPS) measures the performance of the TIPS market. TIPS form the largest component of the Barclays Capital Global Inflation-Linked Bond Index. Inflation-linked indices include only capital indexed bonds with a remaining maturity of one year or more.

The **Barclays US Treasury 1-3yr term index™** measures the performance of short term government bonds issued the US Treasury. The index includes 2-Year and 3-Notes. Term Indices are a new concept in bond indexing developed by Barclays Capital. They have very similar yield, duration and risk/return characteristics to standard maturity based indices but are more compact and more liquid. Term indices use a standard market capitalisation weighting methodology but include only bonds near to their original term rather than selecting all bonds in a maturity range.

The **Barclays Capital Long Government/Credit Index** measures the investment return of all medium and larger public issues of U.S. Treasury, agency, investment-grade corporate, and investment-grade international dollar-denominated bonds with maturities longer than 10 years. The average maturity is approximately 20 years.

The **MSCI EAFE Index(net)** (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. As of May 27, 2010 the MSCI EAFE Index consisted of the following 22 developed market country indices: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.

The **MSCI ACWI ex U.S. (net)** (All Country World Index excluding the United States) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. As of May 27, 2010 the MSCI ACWI ex. US consisted of 44 country indices comprising 23 developed and 21 emerging market country indices. The developed market country indices included are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom. The emerging market country indices included are: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

The **MSCI United Kingdom Index** is a free float adjusted market capitalization index that is designed to measure large and mid cap United Kingdom equity market performance. The MSCI United Kingdom Index is member of the MSCI international equity index series and represents the United Kingdom's equity portion of the global benchmark MSCI ACWI (All Country World Index) Index.

The **MSCI Europe Index (net)** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe. As of June 2007, the MSCI Europe Index consisted of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

MSCI Europe ex UK Index (net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in Europe excluding the United Kingdom. As of June 2007, the MSCI Europe Index consisted of the following 15 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden and Switzerland.

The **MSCI Pacific Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the developed markets in the Pacific region. As of June 2007, the MSCI Pacific Index consisted of the following 5 Developed Market countries: Australia, Hong Kong, Japan, New Zealand, and Singapore

MSCI Pacific ex Japan Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the Far East, excluding Japan. As of March 2008 the MSCI Pacific ex Japan Index consisted of the following 9 developed and emerging market country indices: China, Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan, and Thailand.

The **MSCI Japan Index** is a free float adjusted market capitalization index that is designed to measure large and mid cap Japanese equity market performance. The MSCI Japan Index is member of the MSCI international equity index series and represents the Japanese equity portion of the global benchmark MSCI ACWI (All Country World Index) Index.

The **MSCI Emerging Markets Index (net)** is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets. As of May 27, 2010 the MSCI Emerging Markets Index consisted of the following 21 emerging market country indices: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

The **Citigroup World Government Bond Ex-US Index** measures the performance of developed countries' global fixed-income markets invested in debt issues of non-US governmental entities. The World Government Bond Index (WGBI) includes the 23 government bond markets of Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Malaysia, the Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States prior to its exclusion.

Citigroup World Government Bond Ex-US Index hedged measures the performance of **The Citigroup World Government Bond Ex-US Index** and computing the monthly currency-hedged return by using a rolling one-month forward exchange contract as a hedging instrument.

Citigroup UK Bond Index includes the government bond markets of the United Kingdom and satisfies size, credit, and barriers-to-entry requirements.

Citigroup Japan Bond Index consists of the government bond market of Japan and satisfies size, credit, and barriers-to-entry requirements.

Citigroup Germany Bond Index consists of the government bond market of Germany and satisfies size, credit, and barriers-to-entry requirements.

Citigroup France Bond Index consists of the government bond market of France and satisfies size, credit, and barriers-to-entry requirements.

Citigroup Canada Bond Index consists of the government bond market of Canada and satisfies size, credit, and barriers-to-entry requirements.

DISCLOSURE

The **FTSE NAREIT US Real Estate Index** is calculated by FTSE International Limited (FTSE).

The **NCREIF Property Index** reports quarterly and annual returns consisting of income and appreciation components. The index is based on data collected from the voting members of NCREIF. Specific property-type indices include apartment, office, retail, R&D/Office and Warehouse.

91-Day T-Bills provide a measure of riskless return.

Consumer Price Index is a government-issued index of the retail prices of basic household goods and services.

Producer Price Index is an index maintained by the U.S. Bureau of Labor Statistics that tracks the price of wholesale goods and commodities.

The **Dow Jones UBS Commodity Index** measures collateralized returns from a diversified basket of 19 commodity futures contracts from sectors spanning energy, precious metals, industrial metals, grains and livestock.

Moody's Long-Term Obligation Ratings:

Aaa Obligations rated **Aaa** are judged to be of the highest quality, with minimal credit risk.

Aa Obligations rated **Aa** are judged to be of high quality and are subject to very low credit risk.

A Obligations rated **A** are considered upper-medium grade and are subject to low credit risk.

Baa Obligations rated **Baa** are subject to moderate credit risk. They are considered medium grade and as such may possess certain speculative characteristics.

Ba Obligations rated **Ba** are judged to have speculative elements and are subject to substantial credit risk.

B Obligations rated **B** are considered speculative and are subject to high credit risk.

Caa Obligations rated **Caa** are judged to be of poor standing and are subject to very high credit risk.

Ca Obligations rated **Ca** are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

C Obligations rated **C** are the lowest rated class of bonds and are typically in default, with little prospect for recovery of principal or interest.

Standard Deviation is often used by investors to measure the risk of a stock or a stock portfolio. The basic idea is that the standard deviation is a measure of volatility: the more a stock's returns vary from the stock's average return, the more volatile the stock.

Treasuries: Treasury Securities are debt financed securities issued by the U.S. [government](#). There are three primary types of treasury securities. They are Treasury Bills, Treasury Notes and Treasury Bonds. Treasury Bills (a.k.a. T-bill) mature in one year or less. Treasury Bills are commonly issued with maturities dates of 91 days, 6 months, or 1 year. **91-Day T-Bills** provide a measure of riskless return. Treasury Notes (a.k.a. T-Note) mature between one and ten years. Treasury notes are commonly issued with maturities dates of 2, 3, 5 or 7 years. Treasury Bonds (a.k.a. T-Bond) are commonly issued with maturity dates of ten and thirty years.

The **federal funds target rate** is determined by a meeting of the members of the [Federal Open Market Committee](#). The **federal funds rate** is the [interest rate](#) at which private [depository institutions](#) (mostly banks) [lend](#) balances ([federal funds](#)) at the [Federal Reserve](#) to other depository institutions, usually overnight. It is the interest rate banks charge each other for loans.

The **European Central Bank** (ECB) is the institution of the European Union (EU) which administers the monetary policy of the 17 EU Eurozone member states. It is thus one of the world's most important central banks. The bank was established by the Treaty of Amsterdam in 1998, and is headquartered in Frankfurt, Germany.

The **eurozone**, officially the **euro area**, is an economic and monetary union (EMU) of 17 European Union (EU) member states that have adopted the euro currency as their sole legal tender. It currently consists of Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.

The **euro** (sign: €) is the official currency of the eurozone.

The **pound sterling** (sign: £), commonly called the **pound**, is the official currency of the United Kingdom.

Past performance is not indicative of future results. There is neither representation nor warranty as to the current accuracy of, nor liability for, decisions based on such information.

OVERVIEW

PORTFOLIO EVALUATION

- ♦ The total market value of the fund as of December 31, 2011 was \$989.62 million and had a return of 8.50% for the quarter.
- ♦ Over the past twelve months, the fund returned 1.02%.

INVESTMENT POLICY AND OBJECTIVES

- ♦ Fund is expected to outperform its actuarial target of 8% over one complete market cycle of 3 to 5 years.
- ♦ Annual performance is expected to outperform an index comprised of a 60% S&P 500, 10% MSCI EAFE, 25% BGI Aggregate index, 5% 91-Day T-Bill.
- ♦ The fund is expected to remain fully funded with respect to the actuarial accrued liability.
- ♦ All investment managers are expected to rank in the top 40% of their respective universes.

PLAN RECONCILIATION

	Quarter
<u>Beginning Market Value</u>	926,096,125
Cash Flow In	24,765,026
Intrafund Transfers	0
Cash Flow Out	-40,083,603
Net Cash Flow	-15,318,577

Investment Performance

Income	4,724,823
Asset Value Changes	74,113,170
Gross Performance	78,837,993

<u>Ending Market Value</u>	989,615,541
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RECOMMENDATIONS

**Atlanta General Employees Pension Fund
Executive Summary Table
Periods Ending December 31, 2011**

Name	Value \$(000)	% of Fund	Periods Ending 12/31/11						
			Cur Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	989,616	100.0	8.50	1.02	7.64	10.87	3.75	4.55	5.02
Net of Fee			8.39	0.62	7.27	10.53	3.46	4.25	4.72
Policy Index			7.70	2.43	8.55	12.08	3.96	4.86	5.00
Large Cap Composite	267,606	27.0	10.64	1.37	8.53	15.72	0.91	2.81	3.68
Net of Fee			10.58	1.14	8.24	15.34			
Standard & Poors 500			11.82	2.12	8.39	14.10	-0.25	2.64	2.92
GLOBALT Inc.	65,007	6.6	9.39	-1.20	6.37	15.39	1.62	2.38	2.25
Net of Fee			9.28	-1.60	6.00	14.92	1.21	1.98	1.85
Standard & Poors 500			11.82	2.12	8.39	14.10	-0.25	2.64	2.92
Morgan Stanley	65,521	6.6	9.47	2.71	8.64	12.67	3.06	3.51	4.42
Net of Fee			9.36	2.28	8.15	12.14	2.58	3.03	3.93
Standard & Poors 500			11.82	2.12	8.39	14.10	-0.25	2.64	2.92
Vanguard S&P 500 Index Fund	137,077	13.9	11.81						
Net of Fee			11.81						
Standard & Poors 500			11.82						
Mid Cap Composite	195,709	19.8	13.80	-5.12	9.73	17.58	-0.34	1.55	2.43
Net of Fee			13.65	-5.59	9.21	17.07			
S&P Midcap 400			12.99	-1.73	11.56	19.58	3.32	5.58	7.03
Madison Square Investors	100,308	10.1	12.24	-2.36	10.14	18.79	0.84		
Net of Fee			12.12	-2.75	9.73	18.31	0.42		
Russell MidCap			12.31	-1.56	11.15	20.17	1.41		
Ceredex MidCap Value	95,401	9.6	15.48	-6.45	7.20				
Net of Fee			15.31	-7.00	6.61				
Russell MidCap Value			13.36	-1.38	10.93				

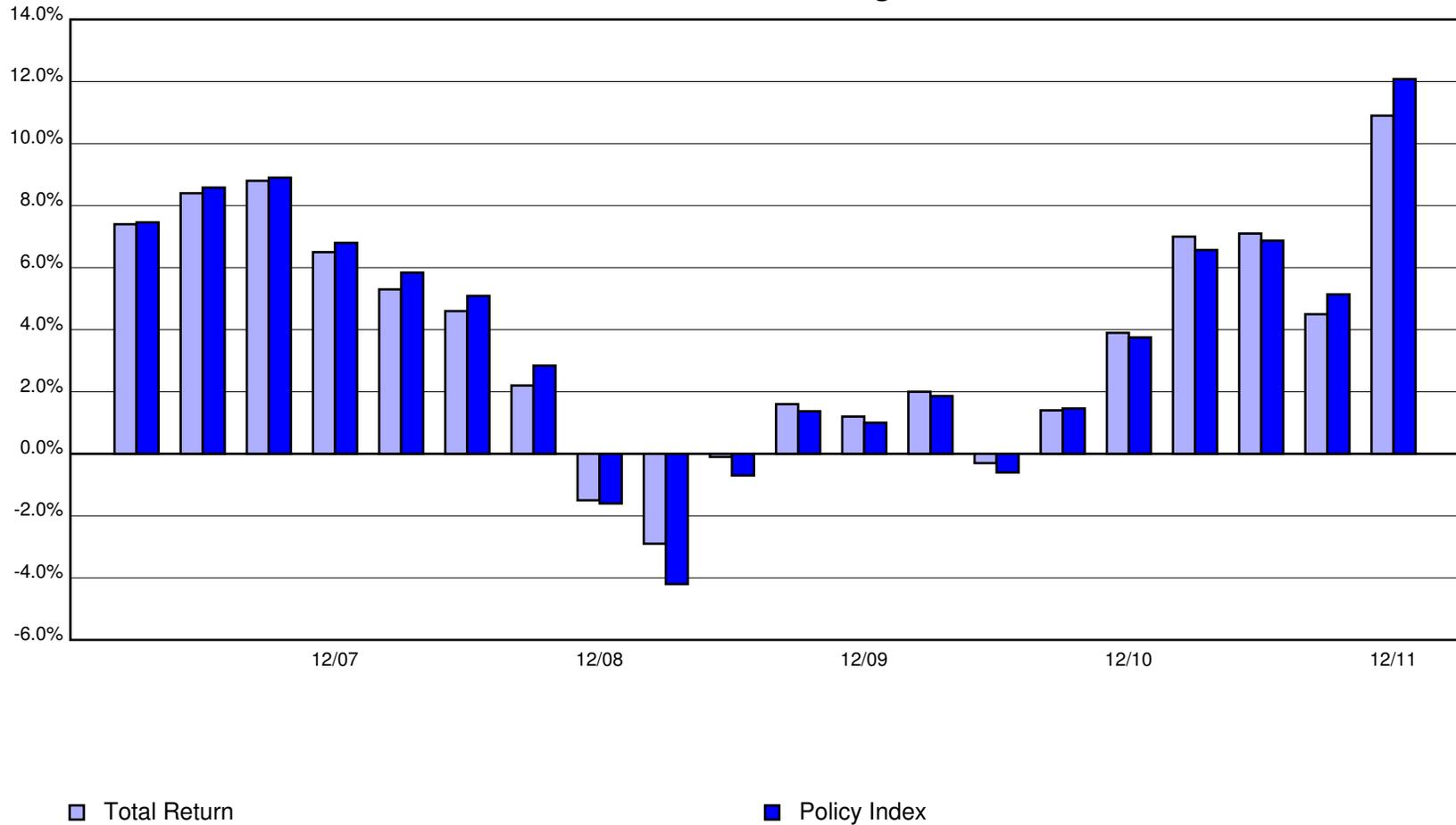
**Atlanta General Employees Pension Fund
Executive Summary Table
Periods Ending December 31, 2011**

Name	Value \$(000)	% of Fund	Periods Ending 12/31/11						
			Cur Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Small Cap Composite	147,421	14.9	17.31	-1.53	11.53	18.58	2.31	5.09	7.68
Net of Fee			17.11	-2.20	10.73	17.70			
Russell 2000			15.48	-4.17	10.25	15.63	0.15	3.20	5.62
EARNEST Partners Small Cap	73,774	7.5	18.87	-0.69	9.36	17.38	0.42	2.41	7.37
Net of Fee			18.70	-1.24	8.72	16.65	-0.17	1.80	6.71
Russell 2000			15.48	-4.17	10.25	15.63	0.15	3.20	5.62
Jennison	73,646	7.4	15.79	-1.11	13.99	20.00	3.64		
Net of Fee			15.55	-1.92	13.04	18.98	2.74		
Russell 2000			15.48	-4.17	10.25	15.63	0.15		
International Equity Composite	97,680	9.9	5.61	-8.29					
Net of Fee			5.31	-9.04					
Johnston	47,593	4.8	3.75	-7.88					
Net of Fee			3.42	-8.61					
MSCI ACWI ex US (Net)			3.72	-13.71					
Artisan	50,087	5.1	7.45	-8.68					
Net of Fee			7.17	-9.44					
MSCI EAFE (Net)			3.33	-12.14					
Fixed Income Composite	248,349	25.1	0.99	7.33	7.02	7.01	6.88	5.97	5.87
Net of Fee			0.94	7.10	6.81	6.80			
Barclays U.S. Aggregate			1.12	7.84	7.19	6.77	6.50	5.60	5.78
Atlanta Capital	79,960	8.1	0.67	5.10	5.10	4.50	5.88	5.15	5.17
Net of Fee			0.63	4.96	4.95	4.37	5.75	5.02	5.04
Barclays Int Govt/Credit			0.84	5.81	5.85	5.64	5.88	4.99	5.20

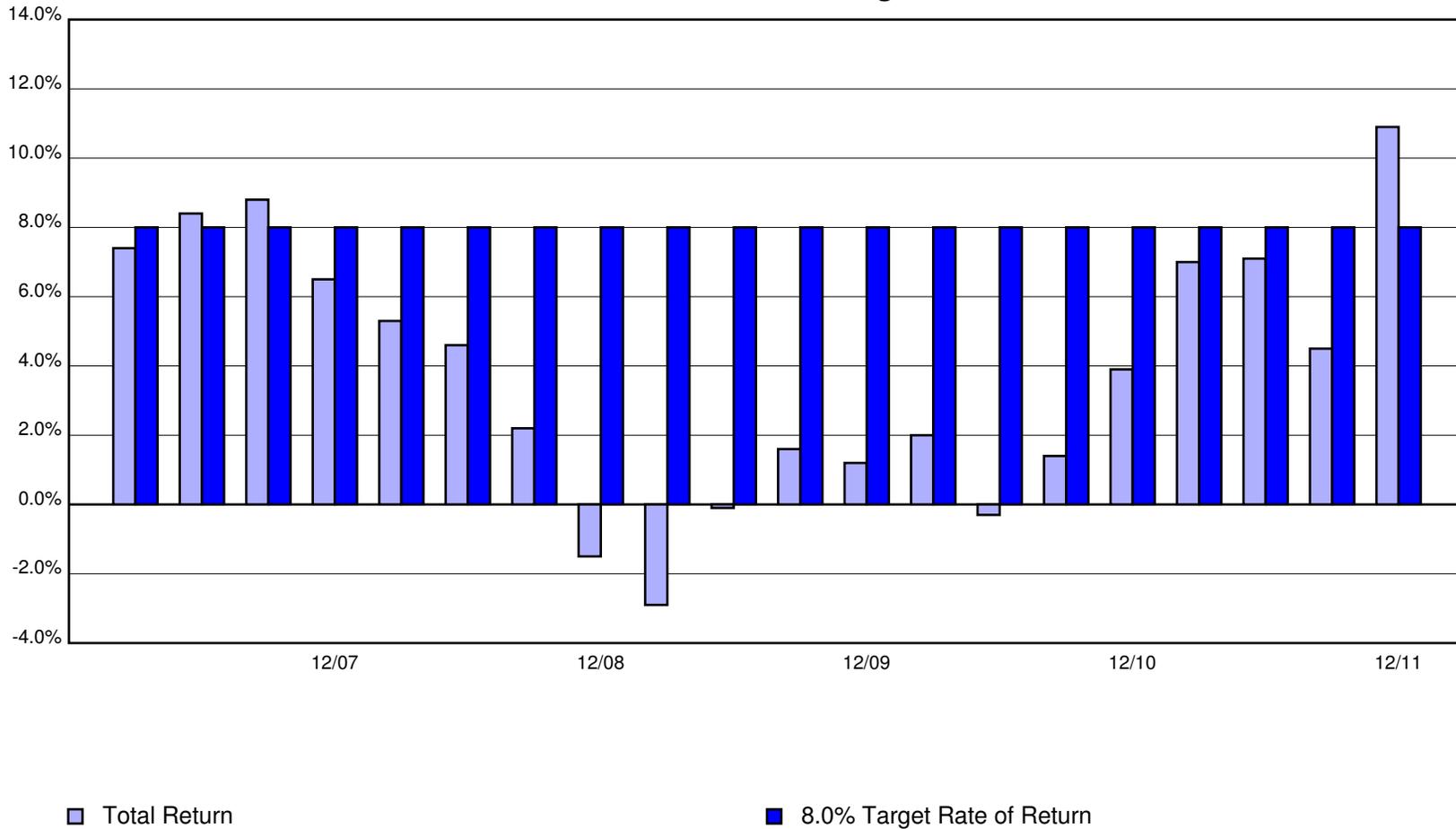
Atlanta General Employees Pension Fund
Executive Summary Table
Periods Ending December 31, 2011

Name	Value \$(000)	% of Fund	Periods Ending 12/31/11						
			Cur Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
JP Morgan/Bank One	84,265	8.5	0.77	8.75	8.11	7.66	7.36	6.33	6.28
Net of Fee			0.70	8.46	7.82	7.37	7.07	6.06	6.01
Barclays U.S. Aggregate			1.12	7.84	7.19	6.77	6.50	5.60	5.78
Mesirow	84,123	8.5	1.31	7.84	7.68	8.81	7.30		
Net of Fee			1.25	7.60	7.48	8.61	7.07		
Barclays U.S. Aggregate			1.12	7.84	7.19	6.77	6.50		
BONY Enhanced Cash	20,404	2.1	0.00	0.02	0.06	0.09			
Net of Fee			0.00	0.02	0.06	0.05			
Cash Account	12,013	1.2	0.00	0.02	0.06	0.20			
Net of Fee			0.00	0.02	0.06	0.20			
Certificates of Deposit	198	0.0	0.00	0.00	0.00	0.00			
Net of Fee			0.00	0.00	0.00	0.00			
Security Lending	237	0.0	0.00	0.02	0.06	0.11			
Net of Fee			0.00	0.02	0.06	0.11			

Atlanta General Employees Pension Fund Performance Consistency Total Fund Composite 3 Years Rolling

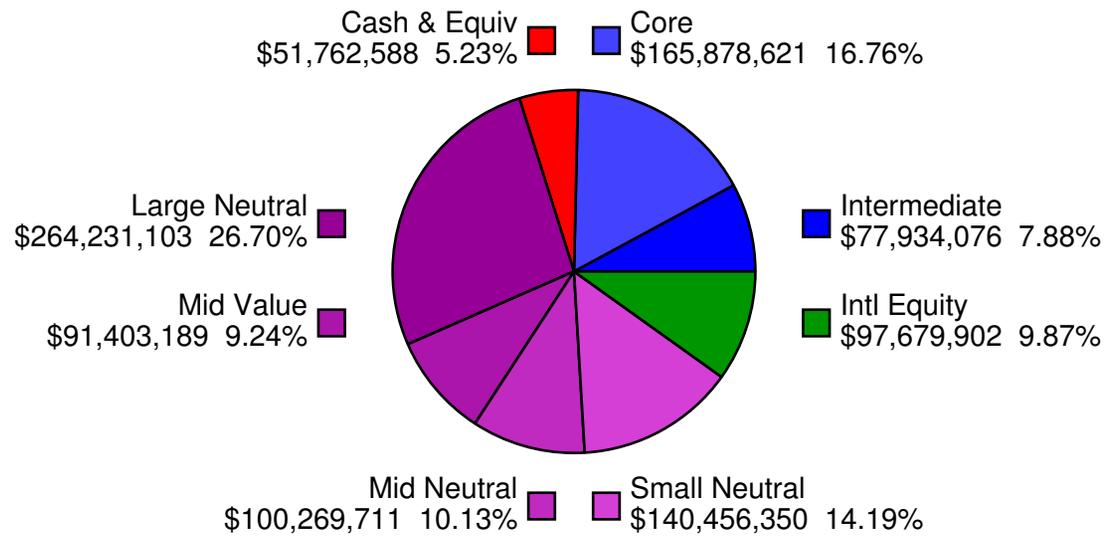


Atlanta General Employees Pension Fund Performance Consistency Total Fund Composite 3 Years Rolling



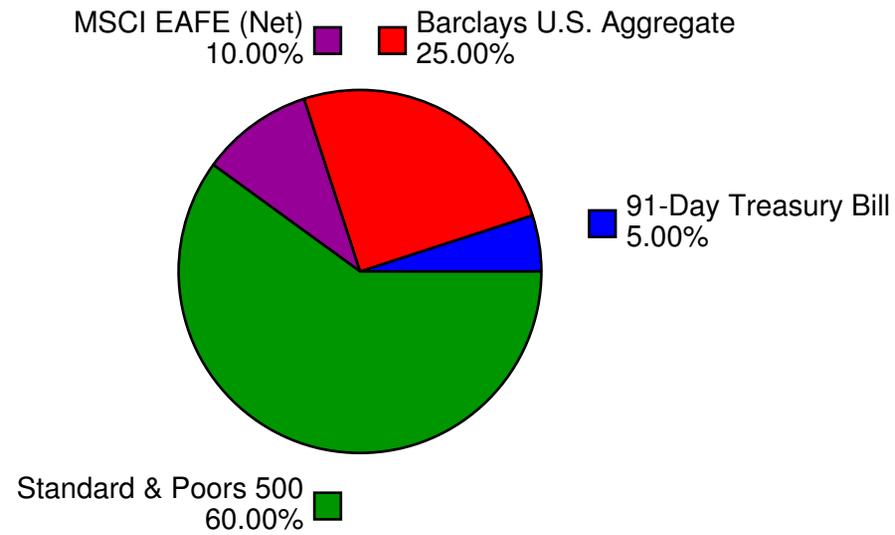
Atlanta General Employees Pension Fund Asset And Policy Allocation Total Fund Composite

December 31, 2011 \$989,615,541



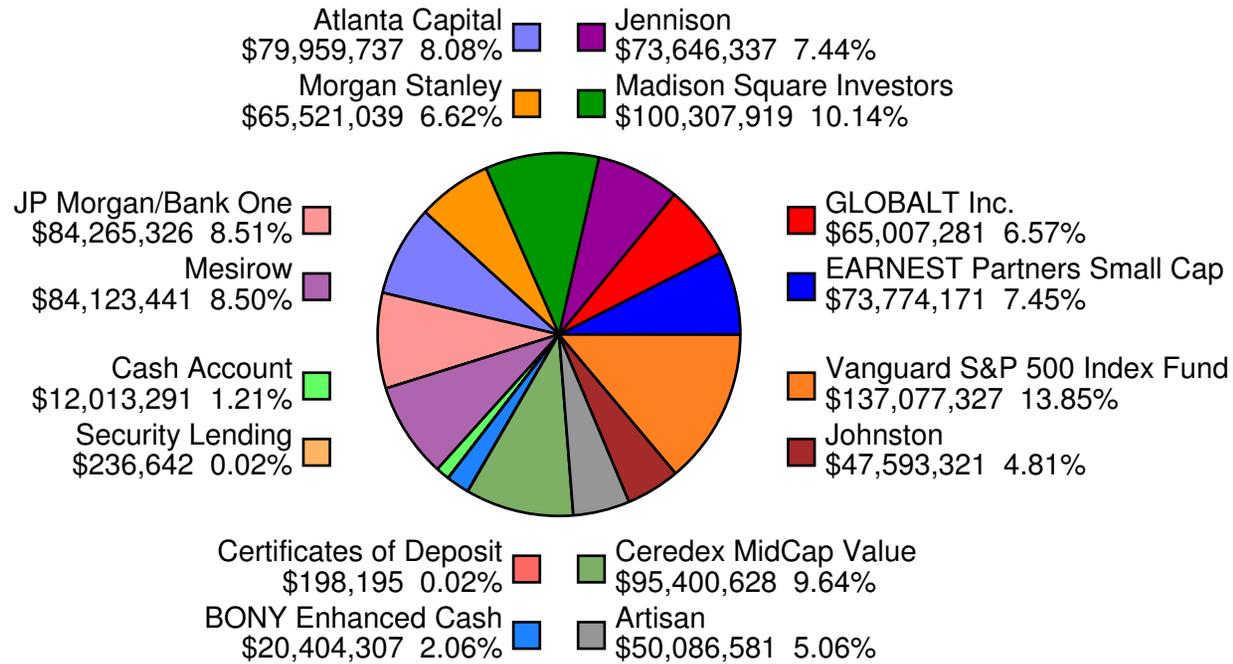
Atlanta General Employees Pension Fund Asset And Policy Allocation Total Fund Composite

December 31, 2011 Policy Index

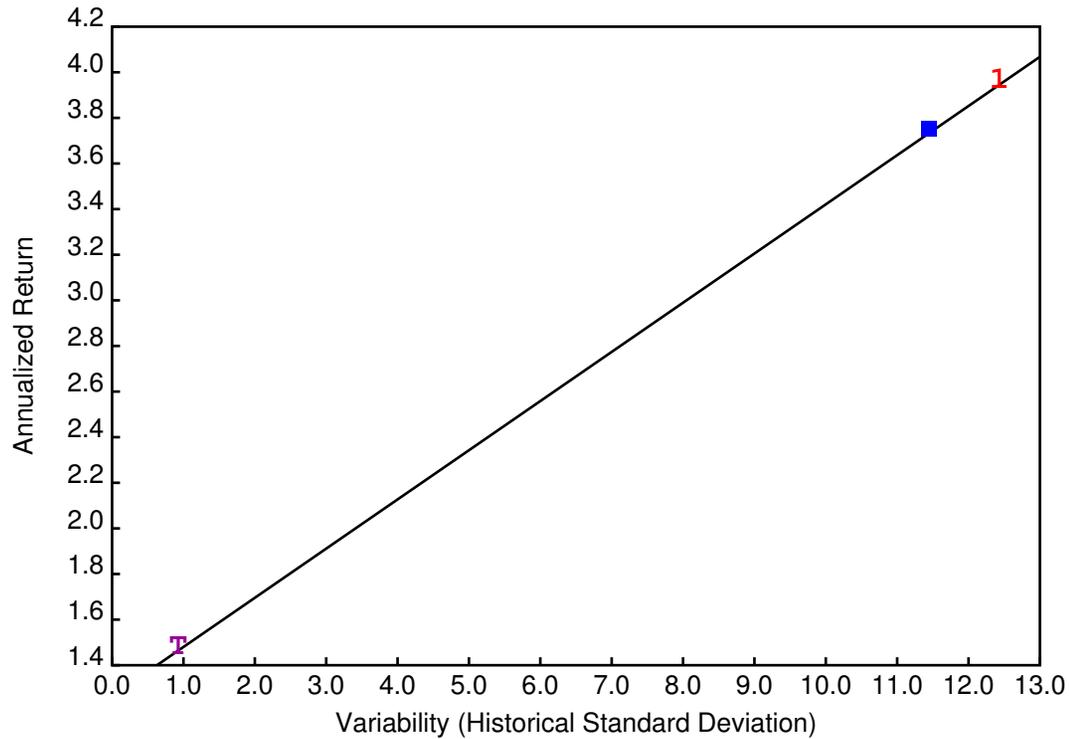


Atlanta General Employees Pension Fund Total Fund Allocation By Manager Total Fund Composite

December 31, 2011 \$989,615,541



Atlanta General Employees Pension Fund Quarterly Total Return Market Line Analysis Periods from 12/06 to 12/11



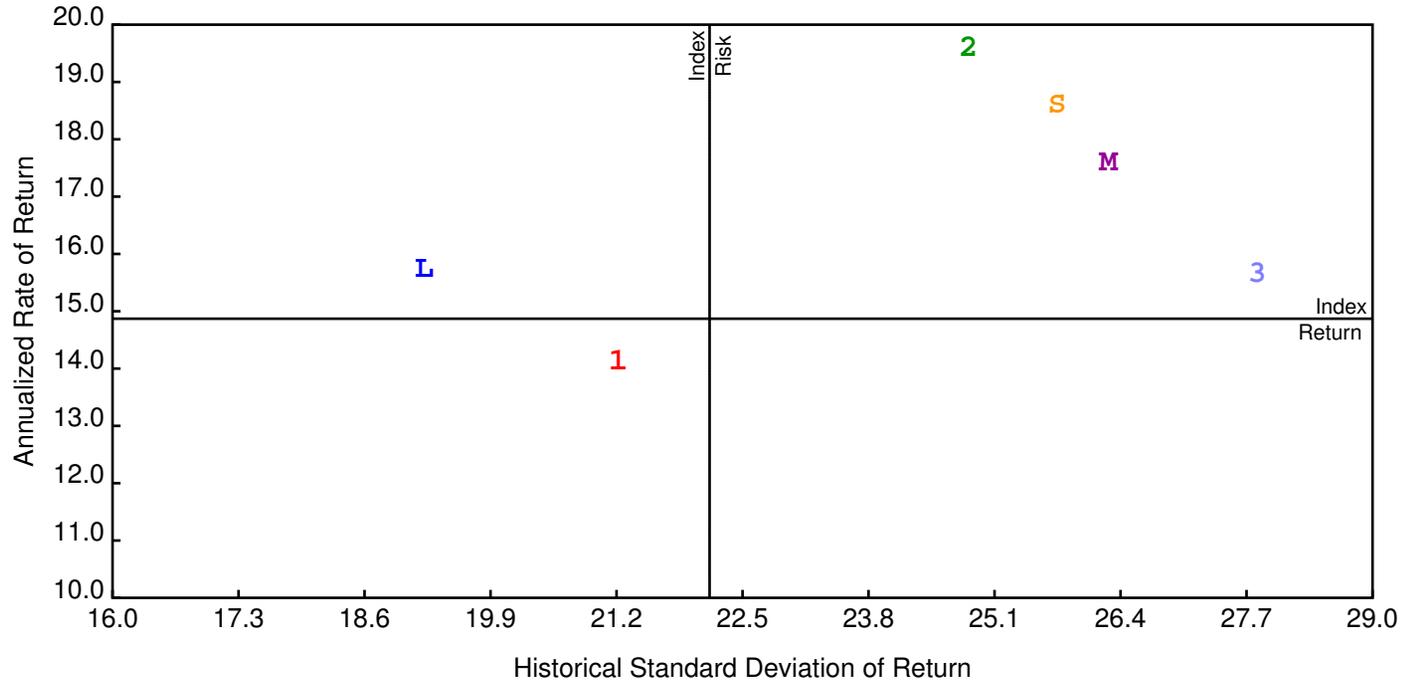
	Annualized Return	Variability	Reward	Sharpe Ratio
■ Total Fund Composite	3.75	11.54	2.27	0.20
1 Policy Index	3.96	12.50	2.48	0.20
T 91-Day Treasury Bill	1.48	1.00	0.00	0.00

Atlanta General Employees Pension Fund

Return vs Risk

Total Returns

3 Years Ending 12/31/11



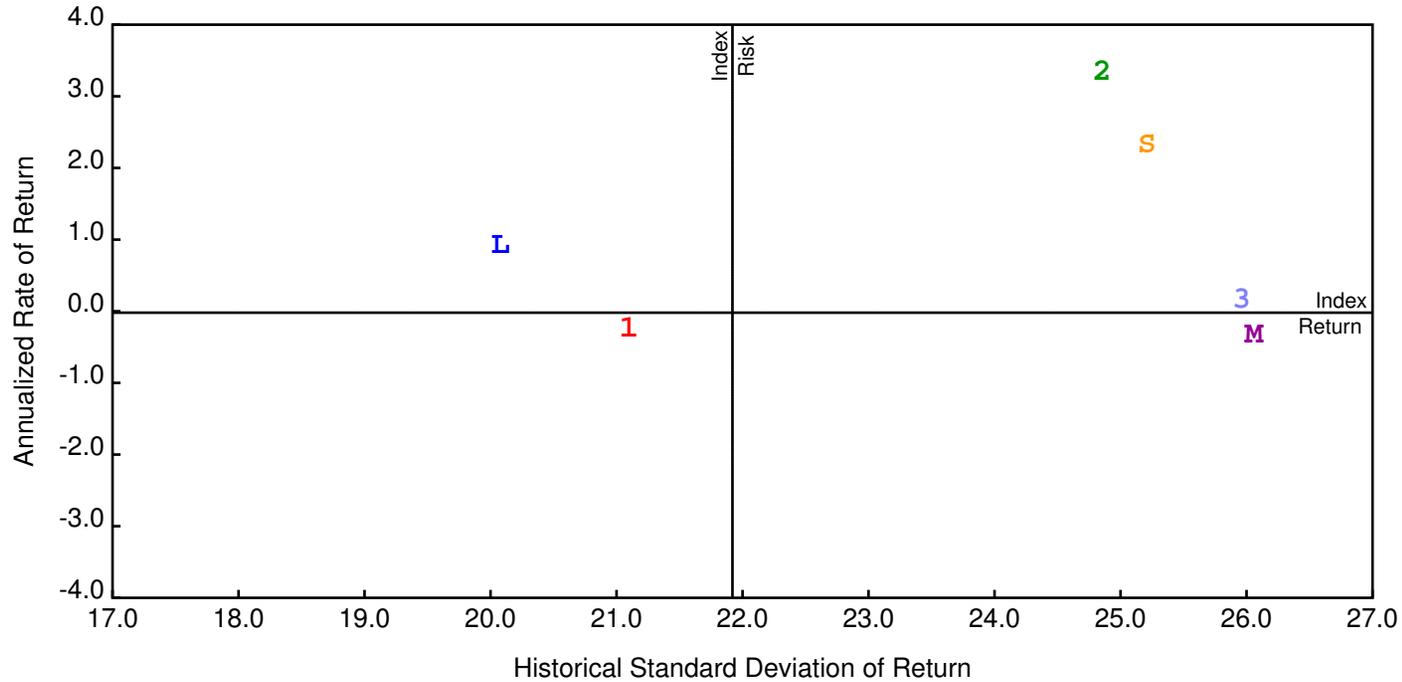
	Annualized Return	Standard Deviation
L Large Cap Composite	15.72	19.27
1 Standard & Poors 500	14.10	21.27
M Mid Cap Composite	17.58	26.33
2 S&P Midcap 400	19.58	24.88
S Small Cap Composite	18.58	25.80
3 Russell 2000	15.63	27.86
Russell 3000	14.87	22.16

Atlanta General Employees Pension Fund

Return vs Risk

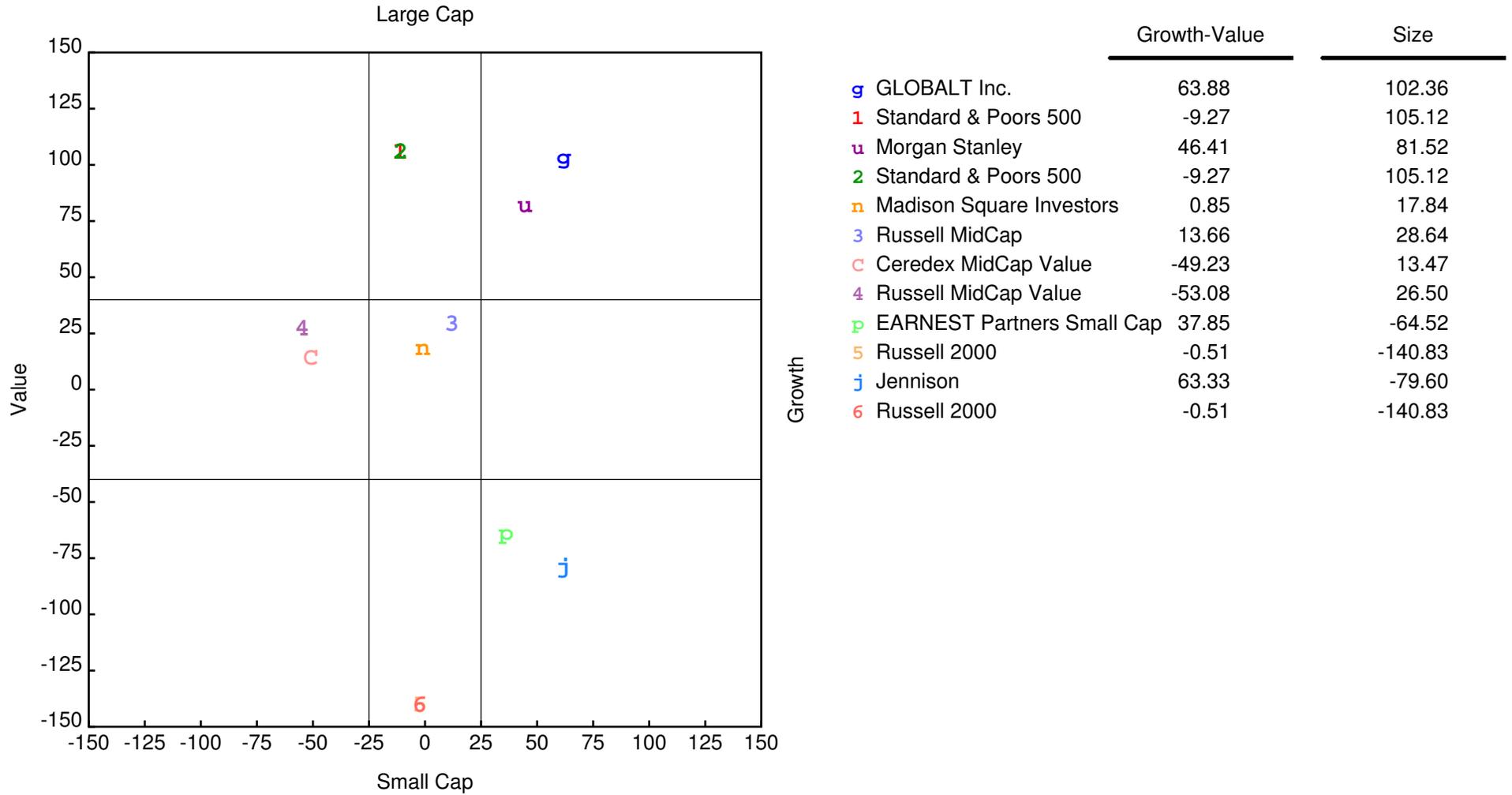
Total Returns

5 Years Ending 12/31/11



	Annualized Return	Standard Deviation
L Large Cap Composite	0.91	20.12
1 Standard & Poors 500	-0.25	21.14
M Mid Cap Composite	-0.34	26.10
2 S&P Midcap 400	3.32	24.89
S Small Cap Composite	2.31	25.25
3 Russell 2000	0.15	26.00
Russell 3000	-0.02	21.92

Atlanta General Employees Pension Fund Equity Style Map Quarter Ended 12/31/11

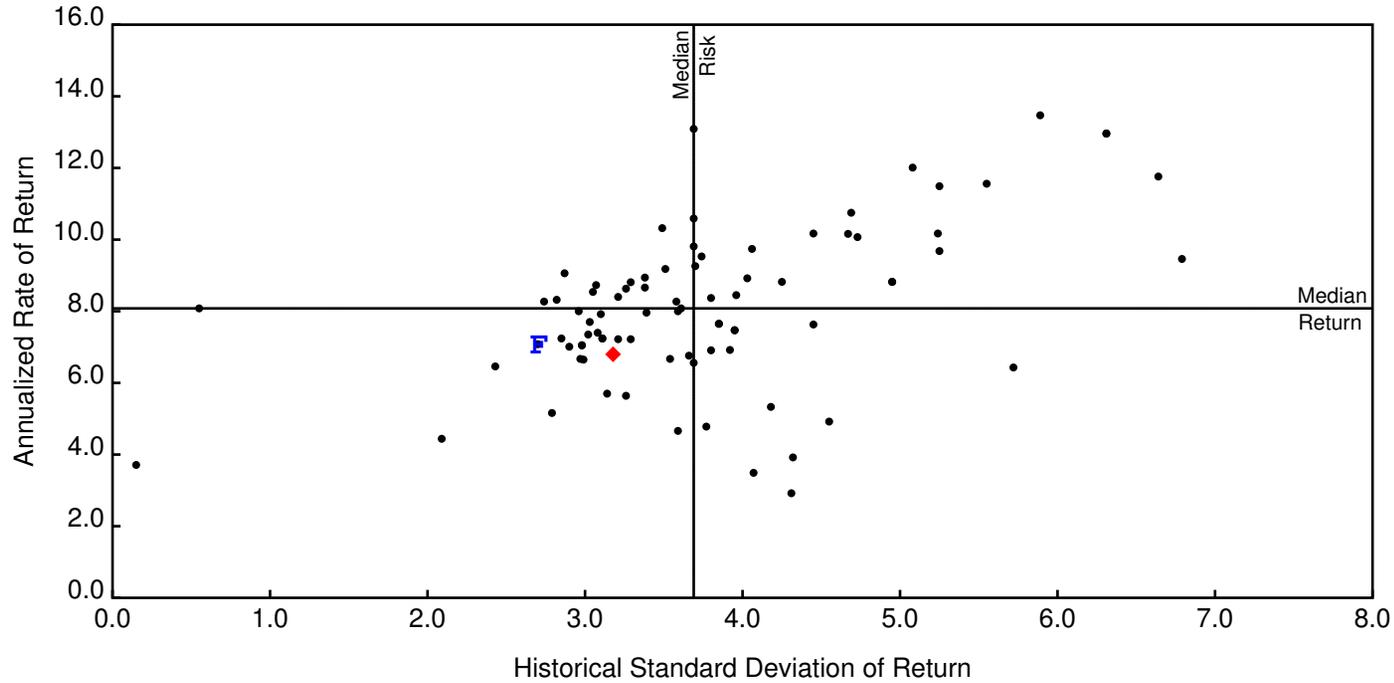


Atlanta General Employees Pension Fund
Equity Summary Statistics
Total Fund Composite
Period Ending 12/11

	Portfolio	Russell 3000	Ten Best Performers	Quarterly Ret
Total Number Of Securities	594	2,946	Delphi Finl Group In	106.76
Equity Market Value	596,360,354		Kodiak Oil & Gas Cor	82.34
Average Capitalization \$(000)	25,836,717	78,449,032	Complete Production	78.04
Median Capitalization \$(000)	4,080,838	907,646	Kenexa Corp	70.72
Equity Segment Yield	1.63	2.08	Akamai Technologies	62.37
Equity Segment P/E - Average	16.83	15.34	Plains Expl & Prodtn	61.69
Equity Segment P/E - Median	15.30	14.50	Salix Pharmaceutical	61.66
Equity Segment Beta	1.18	1.07	Pharmasset Inc	55.64
Price/Book Ratio	2.07	1.98	Novellus Sys Inc	51.47
Debt/Equity Ratio	47.05	70.05	Amerigroup Corp	51.45
Five Year Earnings Growth	4.93	5.89		

Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret	Ten Worst Performers	Quarterly Ret
Apple Inc	7,330,500	1.60	6.25	Diamond Foods Inc	-59.53
Clorox Co	4,360,745	0.95	1.23	Career Education Cor	-38.93
Autozone Inc	4,321,776	0.94	1.81	Healthways Inc	-30.21
Yum Brands Inc	3,841,551	0.84	20.14	Digital Riv Inc	-27.54
Microsoft Corp	3,795,612	0.83	5.08	Amedisys Inc	-26.38
Oracle Systems Corp	3,506,355	0.76	-10.57	Level 3 Communicatio	-23.98
Whiting Pete Corp Ne	3,241,967	0.71	33.10	Oclaro Inc	-22.53
Lazard Ltd	3,054,870	0.67	24.45	Nii Hldgs Inc	-20.96
Republic Svcs Inc	2,817,869	0.61	-1.03	Amazon Com Inc	-19.95
United Nat Foods Inc	2,801,900	0.61	8.02	Checkpoint Sys Inc	-19.44

Atlanta General Employees Pension Fund Return vs Risk Total Returns of Core Portfolios 3 Years Ending 12/31/11

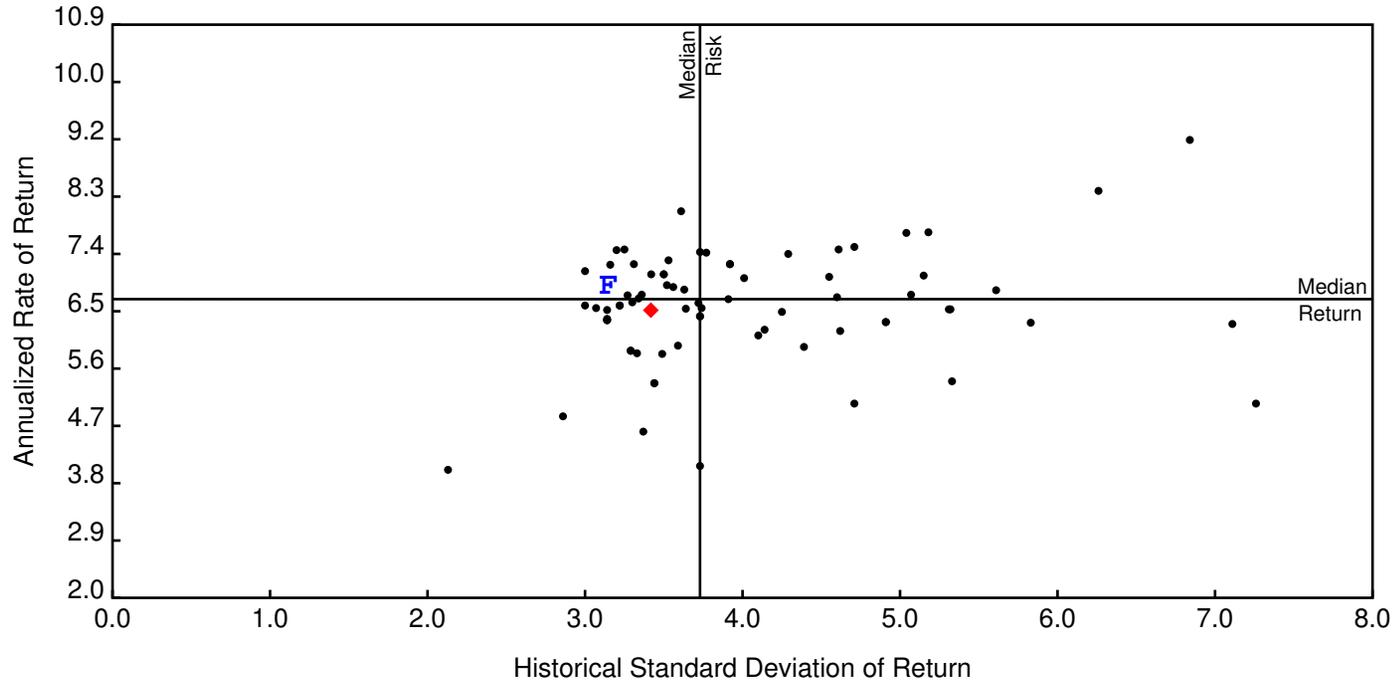


	Annualized Return		Standard Deviation	
	Value	Rank	Value	Rank
F Fixed Income Composite	7.01	71	2.74	8
♦ Barclays U.S. Aggregate	6.77	73	3.22	33
Median	8.08		3.69	

Atlanta General Employees Pension Fund

Return vs Risk

Total Returns of Core Portfolios 5 Years Ending 12/31/11



	Annualized Return		Standard Deviation	
	Value	Rank	Value	Rank
F Fixed Income Composite	6.88	38	3.18	18
♦ Barclays U.S. Aggregate	6.50	63	3.46	36
Median	6.69		3.73	

MARKET SECTOR DIVERSIFICATION

EQUITIES

		Style				
		Value	Market	Growth	Quantitative	Index
S E C T O R F O C U S	U.S.	Large	Morgan Stanley		Globalt	Vanguard S&P 500 Index
		Medium	Madison Square Ceredex		Madison Square	
		Small	Earnest Partners	Jennison		
	INTL EQUITY		Johnston/Artisan			

FIXED INCOME

		Style				
		Rate	Maturity Differential	Sector Allocation	Index	
S E C U R I T Y T Y P E	U.S.	U.S. Govt.	Atlanta Capital JP Morgan	Atlanta Capital	Atlanta Capital JP Morgan Mesirow	
		Mortgage	Atlanta Capital JP Morgan	Atlanta Capital	Atlanta Capital JP Morgan Mesirow	
		Asset Backed	Atlanta Capital JP Morgan	Atlanta Capital	Atlanta Capital JP Morgan Mesirow	
		Corporates	Atlanta Capital JP Morgan	Atlanta Capital	Atlanta Capital JP Morgan Mesirow	
		Euro Dollar				
		High Yield				
		Private Placements				

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Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
GLOBALT Inc.							
Total Return	9.39	-1.20	6.37	15.39	1.62	2.38	2.25
Total Return (Net of Fees)	9.28	-1.60	6.00	14.92	1.21	1.98	1.85
Standard & Poors 500	11.82	2.12	8.39	14.10	-0.25	2.64	2.92
Variance	-2.42	-3.32	-2.02	1.29	1.87	-0.25	-0.66
Russell 1000 Growth	10.60	2.63	9.45	18.02	2.50	3.81	2.60

GLOBALT (Separately Managed) Large Cap Growth Equity

OBJECTIVE

Out perform the S&P 500 by 100 basis points net of management fees over a full market cycle (5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

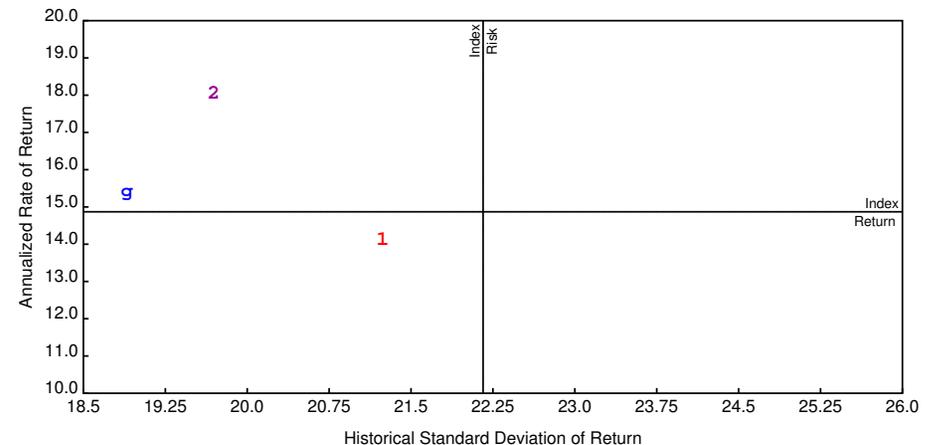
STRATEGY

GLOBALT attempts to add value based on their proprietary quantitative and fundamental analysis. Their research focuses on identify stocks with three key characteristics: 1) Positive Earnings Revisions, 2) Strong Foreign Revenues, and 3) Low P/E Ratio (as compared against peer group and relative index). Companies must derive at 20% (portfolio average is greater than 50%) of revenues from outside the U.S.

FEE SCHEDULE

0.60% on the first \$10,000,000
0.40% on the next \$40,000,000
0.30% on the next \$50,000,000
0.25% thereafter

Return vs Risk
Total Returns



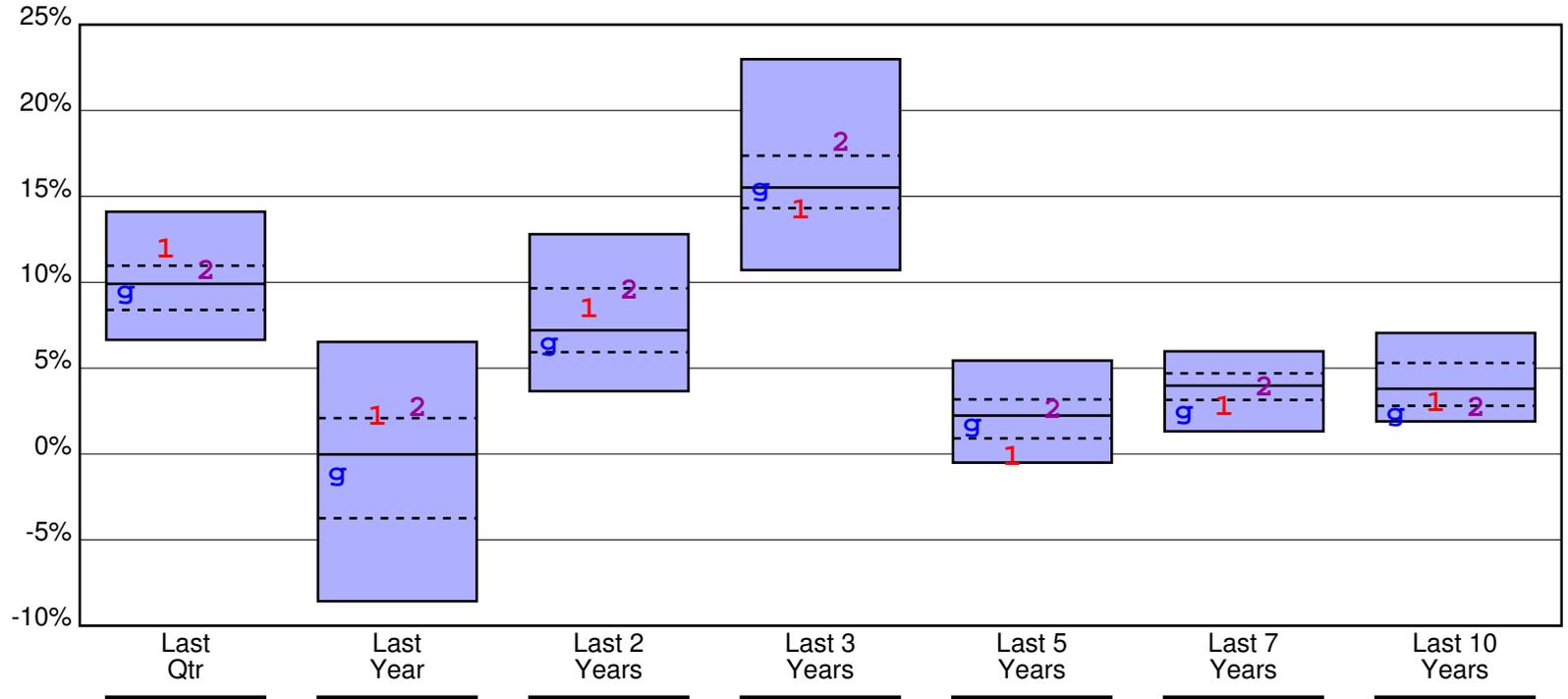
	Annualized Return	Standard Deviation
g GLOBALT Inc.	15.39	18.93
1 Standard & Poors 500	14.10	21.27
2 Russell 1000 Growth	18.02	19.72
Russell 3000	14.87	22.16

CONCLUSIONS/RECOMMENDATIONS

GLOBALT under performed the S&P 500 Index and ranked in the 60th percentile of the Large Cap Growth Universe. In the fourth quarter 2011, the under performance is primarily attributed to poor overall stock selection and sector weighting decisions in the Energy and Information Technology sectors.

In the 3 and 5-year time periods, GLOBALT out performed the S&P 500 Index, but ranked in the bottom half of their peer group, failing to meet the performance expectations over the market cycle.

Atlanta General Employees Pension Fund Large Growth Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/11



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
5th Percentile	14.11	6.53	12.80	22.99	5.44	5.98	7.05
25th Percentile	10.97	2.09	9.65	17.37	3.18	4.70	5.30
Median	9.91	-0.02	7.21	15.52	2.24	3.98	3.80
75th Percentile	8.39	-3.74	5.93	14.32	0.91	3.15	2.81
95th Percentile	6.65	-8.57	3.66	10.71	-0.50	1.32	1.90
g GLOBALT Inc.	9.39 (60)	-1.20 (61)	6.37 (71)	15.39 (55)	1.62 (59)	2.38 (91)	2.25 (91)
1 Standard & Poors 500	11.81 (15)	2.12 (24)	8.39 (39)	14.10 (78)	-0.25 (93)	2.64 (84)	2.92 (69)
2 Russell 1000 Growth	10.60 (34)	2.63 (20)	9.45 (28)	18.02 (19)	2.50 (44)	3.81 (57)	2.60 (83)

Atlanta General Employees Pension Fund
Equity Summary Statistics
GLOBALT Inc.
Period Ending 12/11

	Portfolio	Standard & Poors 500	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	55	500	Apple Inc	3,888,000	6.21	6.25
Equity Market Value	62,688,296		Google Inc	2,777,370	4.44	25.57
Average Capitalization \$(000)	88,835,229	95,291,392	Microsoft Corp	2,430,116	3.88	5.08
Median Capitalization \$(000)	31,309,083	11,148,225	Intl Business McHn	2,224,948	3.55	5.48
Equity Segment Yield	1.55	2.22	Philip Morris Intl I	1,962,000	3.13	27.07
Equity Segment P/E - Average	15.61	14.35	Home Depot Inc	1,837,148	2.93	28.85
Equity Segment P/E - Median	16.26	15.58	Coca Cola Co	1,777,238	2.84	4.30
Equity Segment Beta	1.15	1.00	Oracle Systems Corp	1,613,385	2.58	-10.57
Price/Book Ratio	2.55	2.02	Du Pont E I De Nemou	1,478,694	2.36	15.52
Debt/Equity Ratio	44.93	70.45	Qualcomm Inc	1,469,789	2.35	12.93
Five Year Earnings Growth	11.09	6.14				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	5.42	11.63	28.59	18.22	0.56	-0.39	0.17
Materials	5.00	3.36	14.87	15.32	-0.02	0.06	0.03
Industrials	10.13	10.27	16.51	16.61	-0.01	-0.01	-0.02
Consumer Discretionary	15.42	10.57	10.13	12.68	-0.39	0.04	-0.35
Consumer Staples	12.95	11.76	10.55	10.26	0.04	-0.02	0.02
Health Care	12.92	12.14	9.93	10.07	-0.02	-0.01	-0.03
Financials	3.07	13.59	10.32	10.83	-0.02	0.11	0.09
Information Technology	34.65	19.44	6.87	8.78	-0.66	-0.47	-1.13
Telecom. Services	0.43	3.29	-23.98	7.62	-0.14	0.12	-0.01
Utilities	0.00	3.97		8.25	0.00	0.14	0.14
	100.00	100.00	10.77	11.86	-0.66	-0.43	-1.09

Stock Selection Return Attribution
 [Portfolio Market Value Sector Percentage] * [Portfolio Sector Return - Index Sector Return]
 Sector Selection Return Attribution
 [Portfolio Sector Percentage - Index Sector Percentage] * [Index Sector Return - Index Total Return]
 Trading Effect -0.77%
 [Actual Return 10.00%] - [Buy Hold Return 10.77%]

Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Morgan Stanley							
Total Return	9.47	2.71	8.64	12.67	3.06	3.51	4.42
Total Return (Net of Fees)	9.36	2.28	8.15	12.14	2.58	3.03	3.93
Standard & Poors 500	11.82	2.12	8.39	14.10	-0.25	2.64	2.92
Variance	-2.46	0.17	-0.24	-1.96	2.82	0.39	1.02
Russell 1000 Value	13.11	0.39	7.68	11.55	-2.64	1.95	3.89

MORGAN STANLEY (Separately Managed) Large Cap Value Equity

OBJECTIVE

Out perform the S&P 500 by 100 basis points net of management fees over a full market cycle (5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

STRATEGY

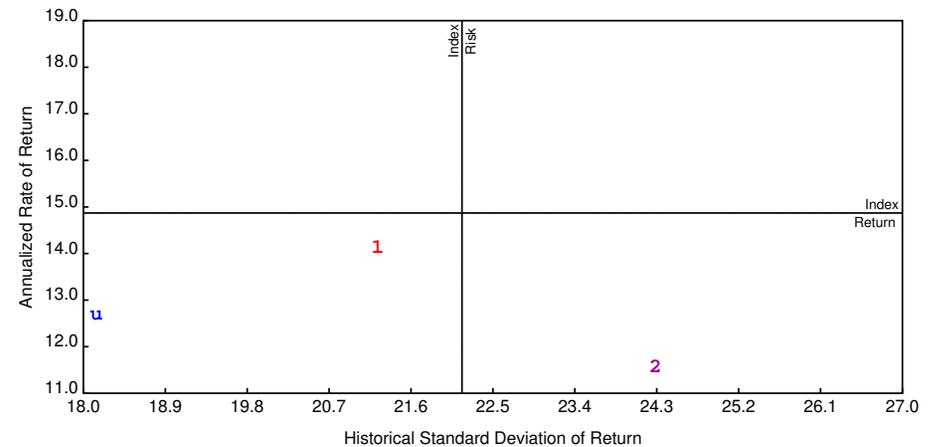
Morgan Stanley utilizes a bottom-up, growth a a reasonable price approach. The manager attempts to identify securities with the following characteristics:

- 1) Undervalued P/E Assessment
- 2) Strong Earnings Momentum
- 3) EPS Growth above 10%
- 4) Market Capitalization Range - \$2 to \$70 Billion

FEE SCHEDULE

0.50% on the first \$20,000,000
0.45% on the next \$15,000,000
0.35% thereafter

Return vs Risk
Total Returns



	Annualized Return	Standard Deviation
u Morgan Stanley	12.67	18.18
1 Standard & Poors 500	14.10	21.27
2 Russell 1000 Value	11.55	24.32
Russell 3000	14.87	22.16

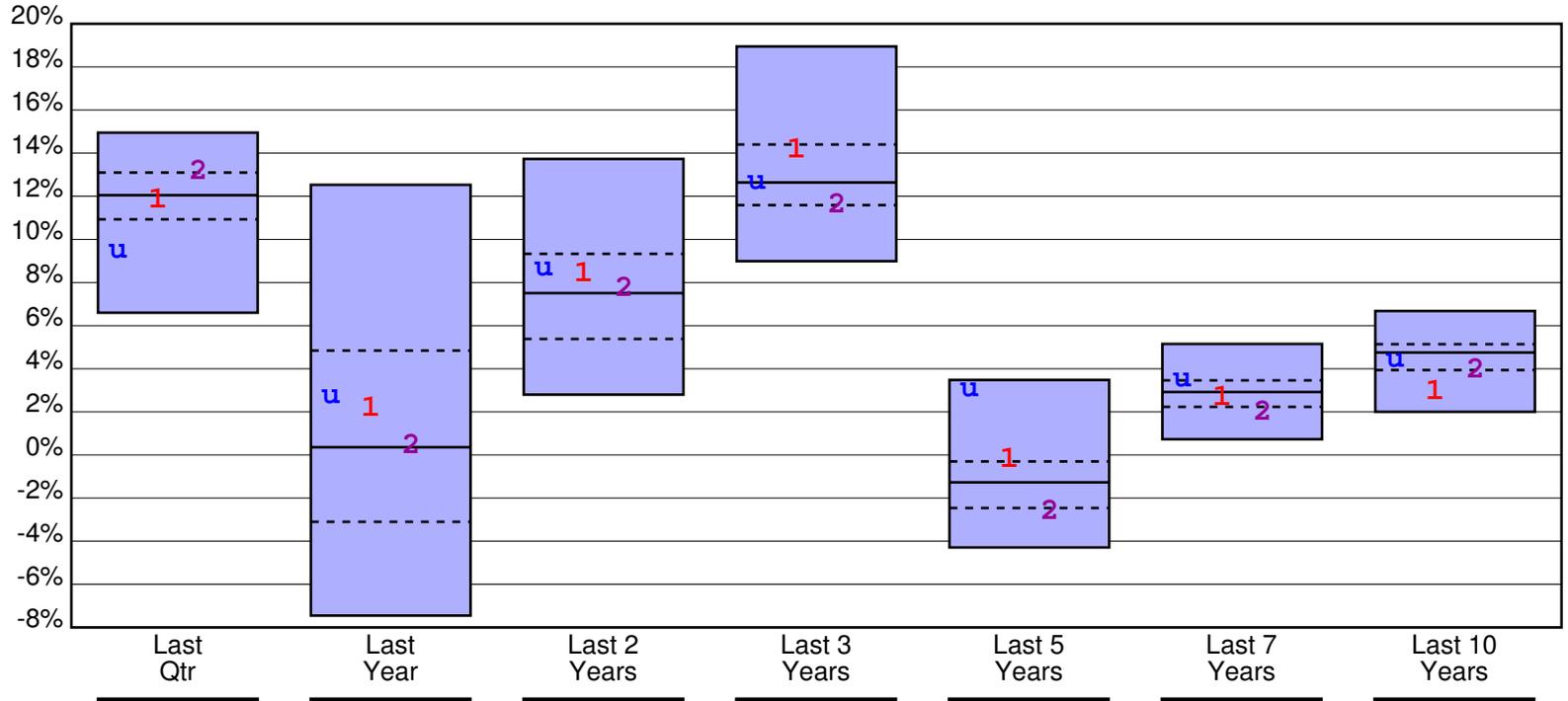
CONCLUSIONS/RECOMMENDATIONS

Morgan Stanley under performed the S&P 500 in the fourth quarter 2011. Overall stock selection and sector weighting decisions in the Energy, Consumer Staples, and Information Technology contributed to the under performance.

Over the 3-year time period, Morgan Stanley under performed the S&P 500 and placed in the 46% of their peer group.

Over the 5-year time period, Morgan Stanley out performed the S&P 500 and placed in the top 5% of their peer group, meeting performance expectations.

Atlanta General Employees Pension Fund Large Value Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/11



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
5th Percentile	14.95	12.53	13.73	18.95	3.48	5.15	6.68
25th Percentile	13.10	4.84	9.33	14.40	-0.30	3.46	5.14
Median	12.05	0.36	7.51	12.64	-1.27	2.92	4.75
75th Percentile	10.93	-3.10	5.38	11.59	-2.46	2.23	3.94
95th Percentile	6.60	-7.45	2.80	8.99	-4.29	0.73	2.00
u Morgan Stanley	9.47 (79)	2.71 (33)	8.64 (28)	12.67 (46)	3.06 (5)	3.51 (20)	4.42 (56)
1 Standard & Poors 500	11.81 (55)	2.12 (36)	8.39 (32)	14.10 (27)	-0.25 (23)	2.64 (58)	2.92 (83)
2 Russell 1000 Value	13.11 (24)	0.39 (49)	7.68 (46)	11.55 (75)	-2.64 (80)	1.95 (83)	3.89 (75)

Atlanta General Employees Pension Fund
Equity Summary Statistics
Morgan Stanley
Period Ending 12/11

	Portfolio	Standard & Poors 500	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	43	500	Autozone Inc	3,997,131	6.21	1.81
Equity Market Value	64,465,480		Apple Inc	3,442,500	5.35	6.25
Average Capitalization \$(000)	71,041,250	95,291,392	Clorox Co	3,128,320	4.86	1.23
Median Capitalization \$(000)	19,429,144	11,148,225	Yum Brands Inc	2,608,242	4.05	20.14
Equity Segment Yield	1.75	2.22	Coach Inc	2,520,952	3.92	18.19
Equity Segment P/E - Average	15.52	14.35	Nike Inc	2,187,599	3.40	13.13
Equity Segment P/E - Median	15.56	15.58	Altera Corp	2,029,370	3.15	17.91
Equity Segment Beta	0.89	1.00	Oracle Systems Corp	1,892,970	2.94	-10.57
Price/Book Ratio	4.35	2.02	Kimberly Clark Corp	1,809,576	2.81	4.62
Debt/Equity Ratio	41.38	70.45	Varian Med Sys Inc	1,765,519	2.74	28.70
Five Year Earnings Growth	11.23	6.14				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	5.86	11.63	20.79	18.22	0.15	-0.37	-0.22
Materials	0.00	3.36		15.32	0.00	-0.12	-0.12
Industrials	9.38	10.27	18.12	16.61	0.14	-0.04	0.10
Consumer Discretionary	19.47	10.57	11.46	12.68	-0.24	0.07	-0.16
Consumer Staples	19.14	11.76	4.47	10.26	-1.11	-0.12	-1.23
Health Care	14.57	12.14	10.16	10.07	0.01	-0.04	-0.03
Financials	6.92	13.59	7.34	10.83	-0.24	0.07	-0.17
Information Technology	24.66	19.44	6.58	8.78	-0.54	-0.16	-0.70
Telecom. Services	0.00	3.29		7.62	0.00	0.14	0.14
Utilities	0.00	3.97		8.25	0.00	0.14	0.14
	100.00	100.00	9.62	11.86	-1.82	-0.42	-2.25

Stock Selection Return Attribution
[Portfolio Market Value Sector Percentage] * [Portfolio Sector Return - Index Sector Return]
Sector Selection Return Attribution
[Portfolio Sector Percentage - Index Sector Percentage] * [Index Sector Return - Index Total Return]
Trading Effect -0.01%
[Actual Return 9.60%] - [Buy Hold Return 9.62%]

Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Vanguard S&P 500 Index Fund							
Total Return	11.81						
Total Return (Net of Fees)	11.81						
Standard & Poors 500	11.82						
Variance	-0.00						

VANGUARD S&P 500 INDEX FUND
Large Cap Core Equity
(Mutual Fund)

OBJECTIVE

Seeks to track the performance of the S&P 500 Index.

STRATEGY

U.S. large-cap equity diversified across growth and value styles.

Passively managed, full-replication approach.

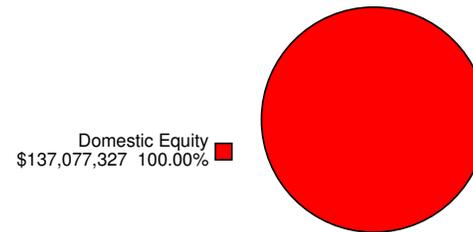
Fund remains fully invested.

Low expenses minimize net tracking error.

FEE SCHEDULE

0.04% on all assets

Asset Allocation
Vanguard S&P 500 Index Fund
December 31, 2011 \$137,077,327

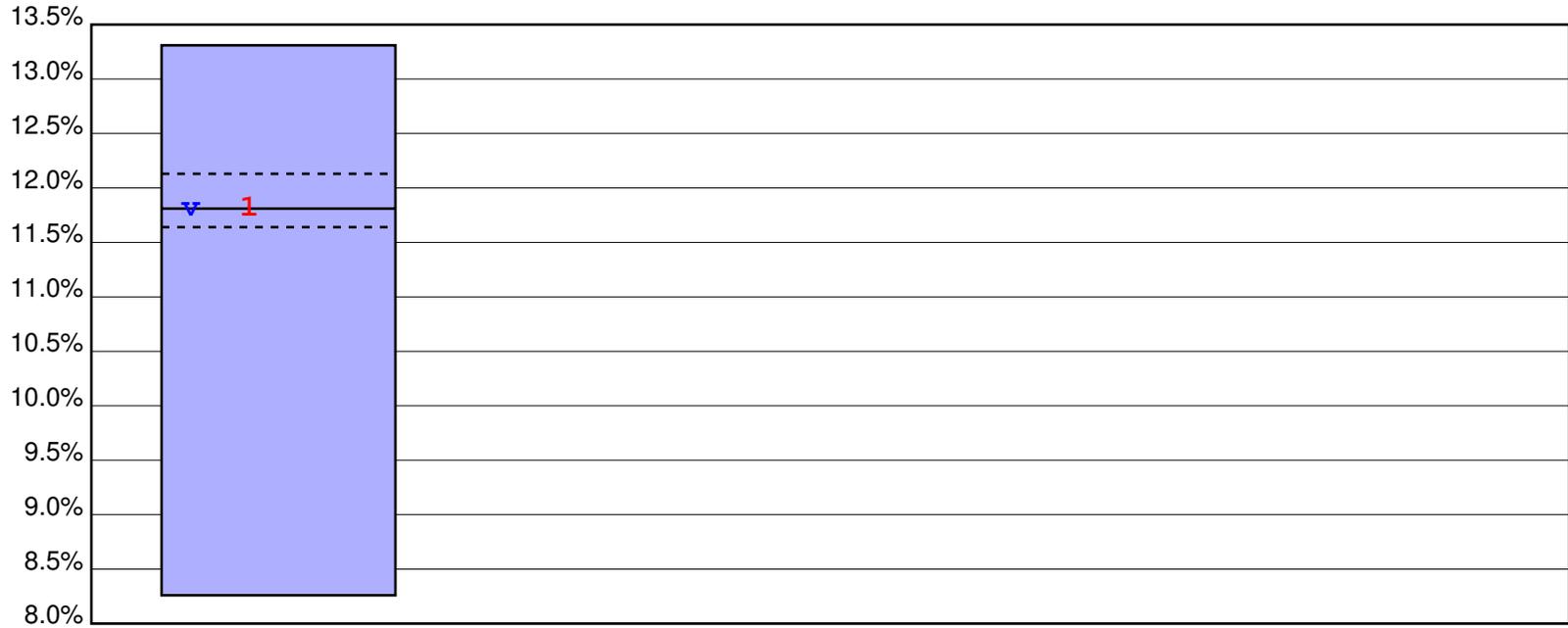


CONCLUSIONS/RECOMMENDATIONS

Vanguard S&P 500 Index Fund tracked the S&P 500 Index during the fourth quarter 2011.

This is the second full quarter of performance.

Atlanta General Employees Pension Fund Large Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/11



Last
Qtr

5th Percentile	13.31
25th Percentile	12.13
Median	11.81
75th Percentile	11.64
95th Percentile	8.26

v Vanguard S&P 500 Index Fund	11.81 (63)
1 Standard & Poors 500	11.81 (63)

Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Madison Square Investors							
Total Return	12.24	-2.36	10.14	18.79	0.84		
Total Return (Net of Fees)	12.12	-2.75	9.73	18.31	0.42		
Russell MidCap	12.31	-1.56	11.15	20.17	1.41		
Variance	-0.07	-0.80	-1.00	-1.38	-0.58		

**MADISON SQUARE INVESTORS (NY LIFE)
Mid Cap Core Equity
(Separately Managed)**

OBJECTIVE

Out perform the Russell Mid Cap Index by 100 basis points net of management fees over a full market cycle (5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

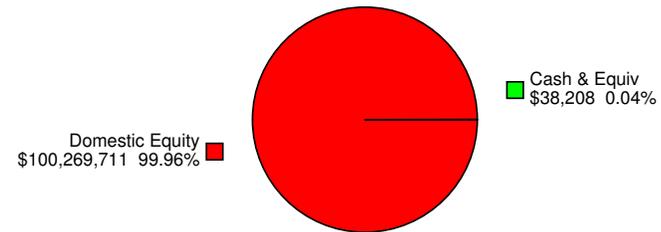
STRATEGY

New York Life attempts to add value based on their proprietary quantitative factor-based model. The manager enhances returns through bottom-up stock selection and trading techniques.

FEE SCHEDULE

0.52% on the first \$10,000,000
 0.47% on the next \$15,000,000
 0.42% on the next \$25,000,000
 0.37% on the next \$50,000,000
 0.27% thereafter

Asset Allocation
Madison Square Investors
December 31, 2011 \$100,307,919

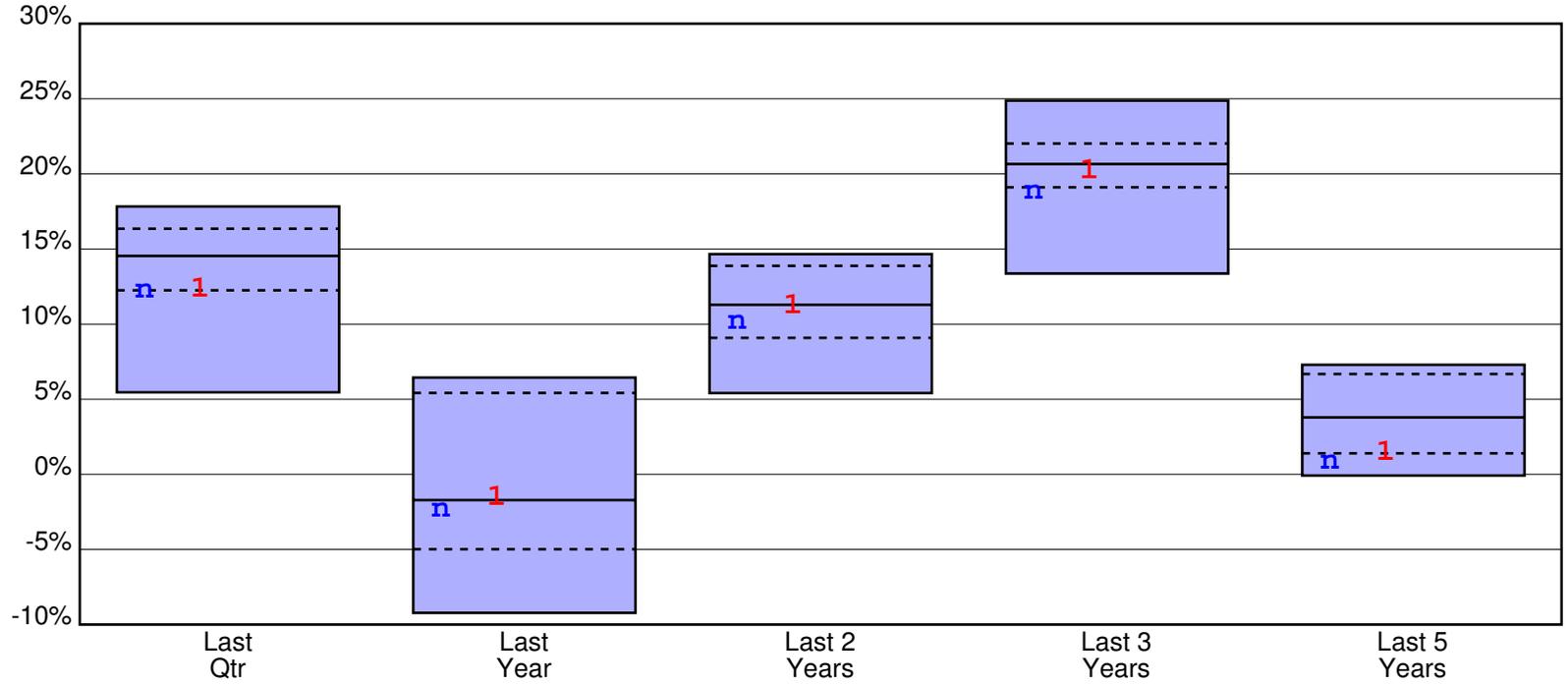


CONCLUSIONS/RECOMMENDATIONS

Madison Square Investors under performed the Russell MidCap Index by 7bps during the fourth quarter 2011, placing them in the 76th percentile of their peer group. Stock selection in Energy, Consumer Discretionary, and Financials contributed to their under performance.

Over the 5 year time period, Madison Square under performed the Russell Mid Cap Index and placed them in the bottom half of their peer group, failing to meet their performance expectations for that time period.

Atlanta General Employees Pension Fund Midcap Neutral Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/11



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	17.83	6.44	14.66	24.88	7.29
25th Percentile	16.35	5.42	13.88	22.02	6.68
Median	14.54	-1.71	11.29	20.66	3.79
75th Percentile	12.25	-4.98	9.09	19.11	1.40
95th Percentile	5.46	-9.22	5.41	13.37	-0.08

n Madison Square Investors
1 Russell MidCap

Madison Square Investors (n)	12.24 (76)	-2.36 (59)	10.14 (67)	18.79 (76)	0.84 (85)
Russell MidCap (1)	12.31 (73)	-1.56 (44)	11.15 (53)	20.17 (58)	1.41 (72)

Atlanta General Employees Pension Fund
Equity Summary Statistics
Madison Square Investors
Period Ending 12/11

	Portfolio	Russell MidCap	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	347	782	Consolidated Edison	1,047,377	1.05	9.90
Equity Market Value	100,269,711		Xcel Energy Inc	920,992	0.92	13.03
Average Capitalization \$(000)	7,169,995	7,857,281	Annaly Capital Mgmt.	910,757	0.91	-0.69
Median Capitalization \$(000)	4,783,057	3,938,805	Grainger W W Inc	856,956	0.86	25.66
Equity Segment Yield	1.56	1.75	Agilent Technologies	847,996	0.85	11.78
Equity Segment P/E - Average	14.74	18.18	Conagra Foods Inc	842,899	0.84	10.03
Equity Segment P/E - Median	14.65	16.09	Murphy Oil Corp	837,048	0.84	26.85
Equity Segment Beta	1.16	1.25	PPG Inds Inc	828,388	0.83	18.91
Price/Book Ratio	1.78	2.00	Parker Hannifin Corp	820,069	0.82	21.32
Debt/Equity Ratio	49.22	77.67	Keycorp	773,745	0.77	30.26
Five Year Earnings Growth	2.22	3.77				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	6.76	7.52	19.67	22.32	-0.18	-0.08	-0.25
Materials	4.28	6.27	18.19	17.98	0.01	-0.11	-0.10
Industrials	9.76	12.08	17.47	16.99	0.05	-0.11	-0.06
Consumer Discretionary	18.37	15.64	12.06	12.32	-0.05	-0.00	-0.05
Consumer Staples	9.78	6.97	9.51	5.01	0.44	-0.21	0.23
Health Care	12.80	10.50	7.39	6.15	0.16	-0.14	0.02
Financials	15.58	18.66	12.87	13.55	-0.11	-0.04	-0.14
Information Technology	16.22	13.41	10.12	9.36	0.12	-0.08	0.04
Telecom. Services	1.51	1.26	12.65	1.93	0.16	-0.03	0.14
Utilities	4.93	7.70	11.00	10.25	0.04	0.06	0.10
	100.00	100.00	12.29	12.38	0.64	-0.73	-0.09

Stock Selection Return Attribution
[Portfolio Market Value Sector Percentage] * [Portfolio Sector Return - Index Sector Return]
Sector Selection Return Attribution
[Portfolio Sector Percentage - Index Sector Percentage] * [Index Sector Return - Index Total Return]
Trading Effect -0.04%
[Actual Return 12.24%] - [Buy Hold Return 12.29%]

Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Ceredex MidCap Value							
Total Return	15.48	-6.45	7.20				
Total Return (Net of Fees)	15.31	-7.00	6.61				
Russell MidCap Value	13.36	-1.38	10.93				
Variance	2.12	-5.07	-3.72				

CEREDEX VALUE ADVISORS (Separately Managed) Mid Cap Value Equity

OBJECTIVE:

Out perform the Russell Mid Cap value by 100 basis points net of management fees over a full market cycle (5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

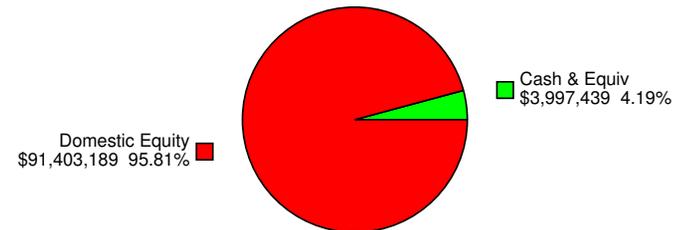
STRATEGY:

Individual company characteristics are the dominant factors in the equity selection process. The strategy's investment philosophy emphasizes three key characteristics in selecting equities for portfolios: existence of a dividend, low valuation levels, and the existence of a fundamental catalyst that will cause a stock to appreciate upon recognition by the market. The strategy seeks to hold 100% domestic equity securities, and typically the portfolio holds 60-80 issues.

FEE SCHEDULE

0.60% on all assets

Asset Allocation
Ceredex MidCap Value
December 31, 2011 \$95,400,628

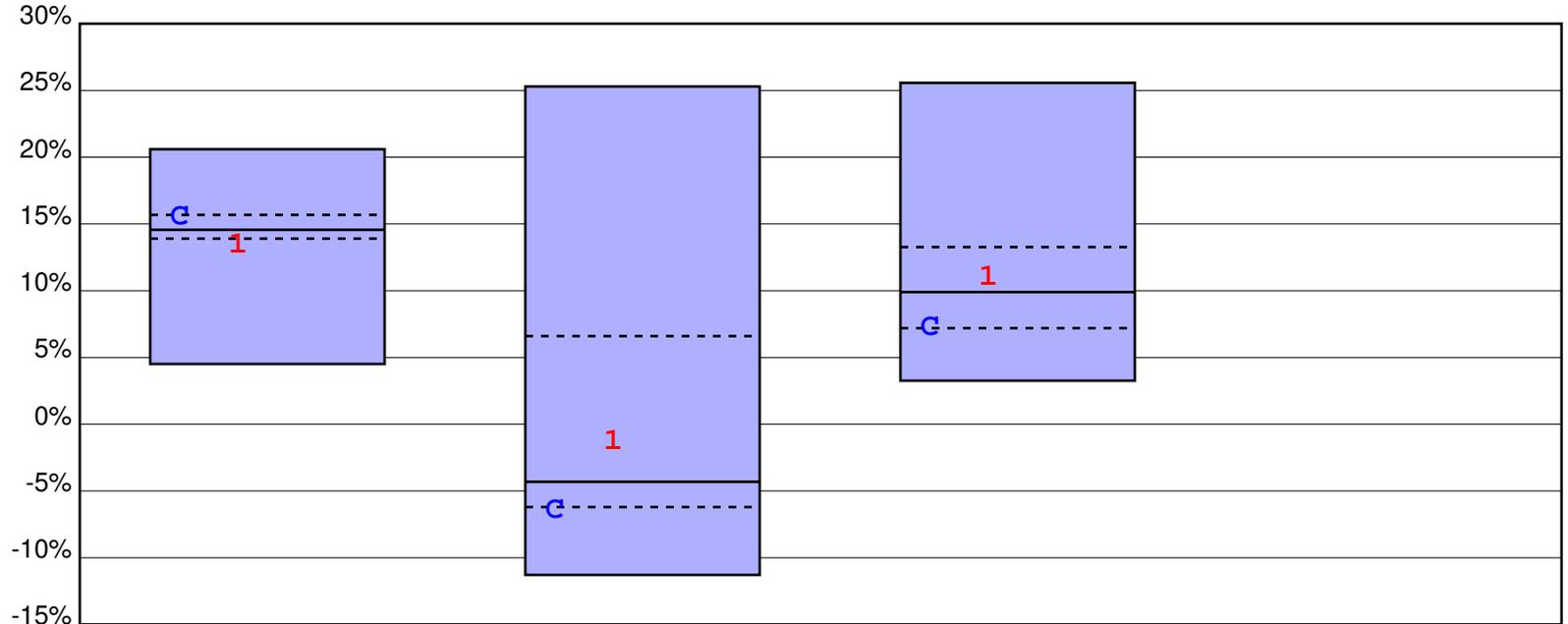


CONCLUSIONS/RECOMMENDATIONS

Ceredex out performed the Russell MidCap Value Index by 212bps in the fourth quarter 2011, placing them in the 33rd percentile of their peer group for the quarter. Good overall stock selection, as well as sector weighting decisions in Energy, Materials, and Utilities contributed to their out performance.

Over a 2-yr time period, Ceredex has under performed the Russell MidCap and ranked in the 76th percentile of their peer group.

Atlanta General Employees Pension Fund Midcap Value Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/11



	Last Qtr	Last Year	Last 2 Years
5th Percentile	20.60	25.30	25.57
25th Percentile	15.68	6.60	13.27
Median	14.56	-4.31	9.90
75th Percentile	13.90	-6.20	7.20
95th Percentile	4.51	-11.29	3.26
C Ceredex MidCap Value	15.48 (33)	-6.45 (80)	7.20 (76)
1 Russell MidCap Value	13.36 (89)	-1.38 (40)	10.93 (41)

Atlanta General Employees Pension Fund
Equity Summary Statistics
Ceredex MidCap Value
Period Ending 12/11

	Portfolio	Russell MidCap Value	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	73	527	Lazard Ltd	3,054,870	3.35	24.45
Equity Market Value	91,403,189		Ashland Inc New	2,600,780	2.85	29.95
Average Capitalization \$(000)	7,563,681	7,801,385	Pg&E Corp	2,477,322	2.72	-1.49
Median Capitalization \$(000)	5,184,693	3,707,206	Cigna Corp	2,373,000	2.60	0.14
Equity Segment Yield	2.91	2.42	St Jude Med Inc	2,298,100	2.52	-4.64
Equity Segment P/E - Average	16.17	16.60	Centurylink Inc	2,235,720	2.45	14.61
Equity Segment P/E - Median	14.68	14.94	Tidewater Inc.	2,124,830	2.33	17.83
Equity Segment Beta	1.22	1.27	Qep Res Inc	1,980,680	2.17	8.30
Price/Book Ratio	1.60	1.37	Sealed Air Corp New	1,973,987	2.16	3.81
Debt/Equity Ratio	57.56	76.84	Time Warner Cable In	1,907,100	2.09	2.28
Five Year Earnings Growth	-0.15	-0.45				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	11.26	6.07	17.20	21.43	-0.48	0.42	-0.06
Materials	8.08	4.32	24.55	22.93	0.13	0.36	0.49
Industrials	10.31	9.99	17.18	16.83	0.04	0.01	0.05
Consumer Discretionary	10.65	10.86	16.85	16.01	0.09	-0.01	0.08
Consumer Staples	3.08	7.26	13.81	9.76	0.12	0.15	0.28
Health Care	5.07	6.76	11.52	5.97	0.28	0.13	0.41
Financials	32.79	30.65	14.87	13.70	0.38	0.01	0.39
Information Technology	8.85	8.25	19.68	10.87	0.78	-0.02	0.76
Telecom. Services	4.00	0.86	9.52	-6.03	0.62	-0.61	0.01
Utilities	5.90	14.98	5.94	10.38	-0.26	0.28	0.01
	100.00	100.00	15.85	13.42	1.71	0.71	2.42

Stock Selection Return Attribution
[Portfolio Market Value Sector Percentage] * [Portfolio Sector Return - Index Sector Return]
Sector Selection Return Attribution
[Portfolio Sector Percentage - Index Sector Percentage] * [Index Sector Return - Index Total Return]
Trading Effect 0.34%
[Actual Return 16.18%] - [Buy Hold Return 15.85%]

Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
EARNEST Partners Small Cap							
Total Return	18.87	-0.69	9.36	17.38	0.42	2.41	7.37
Total Return (Net of Fees)	18.70	-1.24	8.72	16.65	-0.17	1.80	6.71
Russell 2000	15.48	-4.17	10.25	15.63	0.15	3.20	5.62
Variance	3.39	3.48	-0.89	1.75	0.27	-0.79	1.75
Russell 2000 Value	15.97	-5.50	8.47	12.36	-1.87	2.34	6.40

EARNEST PARTNERS (Separately Managed) Small Cap Value Equity

OBJECTIVE

Out perform the Russell 2000 Index by 100 basis points net of management fees over a full market cycle (5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

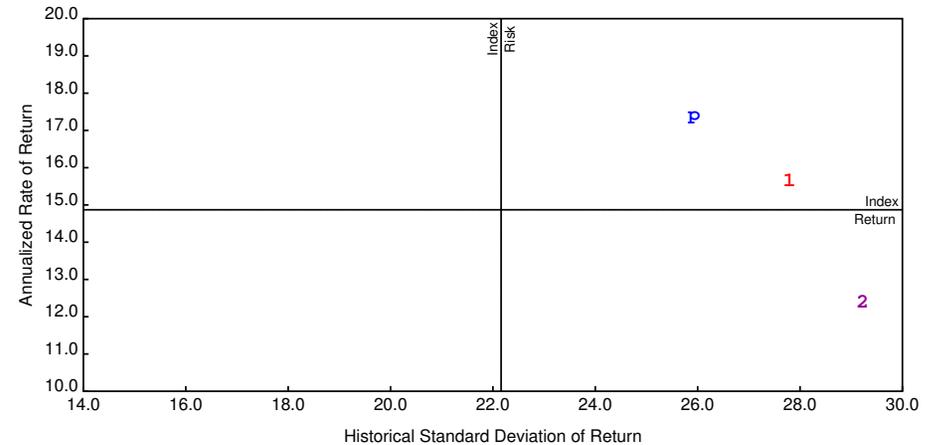
STRATEGY

EARNEST Partners attempts to add value based on their proprietary research and modeling (Return Pattern Recognition) techniques. The model identifies five critical indicators: 1) Growth, 2) Profitability, 3) Valuation, 4) Operating Trends, and 5) Market Trends.

FEE SCHEDULE

0.85% on the first \$10,000,000
0.65% on the next \$10,000,000
0.50% thereafter

Return vs Risk
Total Returns



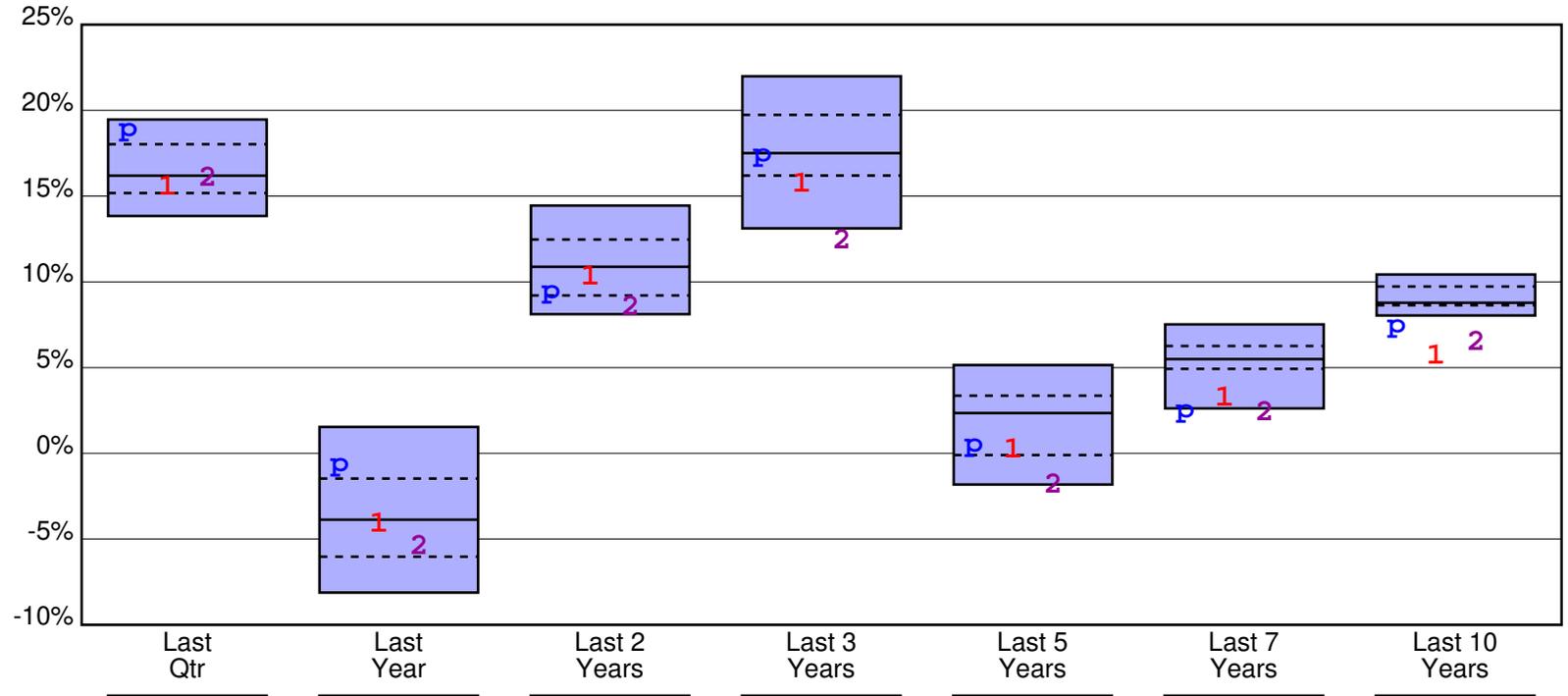
	Annualized Return	Standard Deviation
p EARNEST Partners Small Cap	17.38	25.99
1 Russell 2000	15.63	27.86
2 Russell 2000 Value	12.36	29.28
Russell 3000	14.87	22.16

CONCLUSIONS/RECOMMENDATIONS

EARNEST Partners Small Cap Portfolio out performed the Russell 2000 Index and ranked in the 11th percentile of their peer group during the fourth quarter of 2011. Stock selection in Energy, Health Care, Information Technology, and Telecom Services, as well as Sector Weighting decisions in Energy and Utilities contributed to the out performance for the quarter.

In the 3 year & 5 year time periods, Earnest Partners out performed the Russell 2000 Index, but ranked in the bottom half of their peer group, failing to meet performance expectations.

Atlanta General Employees Pension Fund Small Value Cumulative Performance Comparisons Total Returns of Equity Portfolios Periods Ending 12/11



5th Percentile	19.47	1.54	14.45	21.99	5.15	7.52	10.43
25th Percentile	18.03	-1.47	12.47	19.74	3.36	6.26	9.73
Median	16.19	-3.87	10.88	17.51	2.35	5.50	8.78
75th Percentile	15.18	-6.03	9.21	16.20	-0.10	4.93	8.64
95th Percentile	13.84	-8.12	8.12	13.12	-1.82	2.62	8.04
P EARNEST Partners Small Cap	18.87 (11)	-0.69 (19)	9.36 (73)	17.38 (57)	0.42 (70)	2.41 (100)	7.37 (100)
1 Russell 2000	15.48 (60)	-4.17 (60)	10.25 (55)	15.63 (79)	0.15 (70)	3.20 (91)	5.62 (100)
2 Russell 2000 Value	15.97 (53)	-5.50 (71)	8.47 (87)	12.36 (99)	-1.87 (99)	2.34 (100)	6.40 (100)

Atlanta General Employees Pension Fund
Equity Summary Statistics
EARNEST Partners Small Cap
Period Ending 12/11

	<u>Portfolio</u>	<u>Russell 2000</u>	<u>Ten Largest Holdings</u>	<u>Mkt Value</u>	<u>% of Port</u>	<u>Quarterly Ret</u>
Total Number Of Securities	49	1,966	Whiting Pete Corp Ne	2,820,076	4.03	33.10
Equity Market Value	70,010,231		Lufkin Inds Inc	2,497,201	3.57	26.75
Average Capitalization \$(000)	2,446,300	1,237,042	Jos A Bank Clothiers	2,466,622	3.53	4.57
Median Capitalization \$(000)	1,666,473	457,348	Hexcel Corp New	2,442,789	3.49	9.25
Equity Segment Yield	0.88	1.45	Raymond James Finl I	2,390,886	3.42	19.75
Equity Segment P/E - Average	22.34	26.03	Akamai Technologies	2,075,604	2.97	62.37
Equity Segment P/E - Median	14.73	13.55	United Nat Foods Inc	1,956,489	2.80	8.02
Equity Segment Beta	1.31	1.45	Coherent Inc	1,803,315	2.58	21.67
Price/Book Ratio	1.84	1.68	Anslys Inc	1,790,458	2.56	16.80
Debt/Equity Ratio	39.74	52.15	Centene Corp Del	1,769,673	2.53	38.09
Five Year Earnings Growth	2.55	4.06				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	15.08	6.24	25.78	22.74	0.46	0.64	1.10
Materials	3.67	4.51	15.55	15.99	-0.02	-0.00	-0.02
Industrials	16.12	15.07	13.53	20.47	-1.12	0.05	-1.07
Consumer Discretionary	4.04	13.07	4.57	14.53	-0.40	0.09	-0.32
Consumer Staples	3.10	3.83	8.02	9.29	-0.04	0.04	0.01
Health Care	13.18	12.96	12.97	11.97	0.13	-0.01	0.12
Financials	15.83	22.10	15.40	15.53	-0.02	-0.00	-0.02
Information Technology	24.80	17.23	22.76	14.60	2.02	-0.07	1.96
Telecom. Services	2.38	0.98	24.59	8.27	0.39	-0.10	0.29
Utilities	1.80	4.00	14.30	10.38	0.07	0.11	0.18
	100.00	100.00	17.71	15.47	1.48	0.75	2.23

Stock Selection Return Attribution
[Portfolio Market Value Sector Percentage] * [Portfolio Sector Return - Index Sector Return]
Sector Selection Return Attribution
[Portfolio Sector Percentage - Index Sector Percentage] * [Index Sector Return - Index Total Return]
Trading Effect 2.19%
[Actual Return 19.90%] - [Buy Hold Return 17.71%]

Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Jennison							
Total Return	15.79	-1.11	13.99	20.00	3.64		
Total Return (Net of Fees)	15.55	-1.92	13.04	18.98	2.74		
Russell 2000	15.48	-4.17	10.25	15.63	0.15		
Variance	0.31	3.06	3.74	4.37	3.49		

JENNISON (Separately Managed) Small Cap Core Equity

OBJECTIVE

Out perform the Russell 2000 Index by 100 basis points net of management fees over a full market cycle (5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

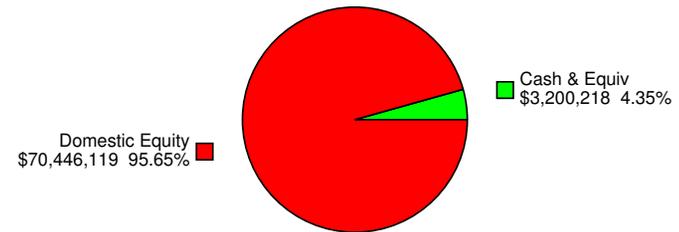
STRATEGY

Jennison uses a bottom-up, research intensive approach to construct diversified portfolios of companies with attractive valuations and projected superior earnings growth on an intermediate term basis.

FEE SCHEDULE

0.90% on the first \$50,000,000
 0.70% on the next \$50,000,000
 0.60% on the next \$100,000,000
 0.50% on the next \$200,000,000
 0.45% thereafter

Asset Allocation
Jennison
December 31, 2011 \$73,646,337



CONCLUSIONS/RECOMMENDATIONS

In the fourth quarter 2011, Jennison out performed the Russell 2000 by 31bps, placing them in the 32% of their universe. Their performance can primarily be attributed to strong stock selection in the Energy, Consumer Staples, Financials, and Information Technology sectors.

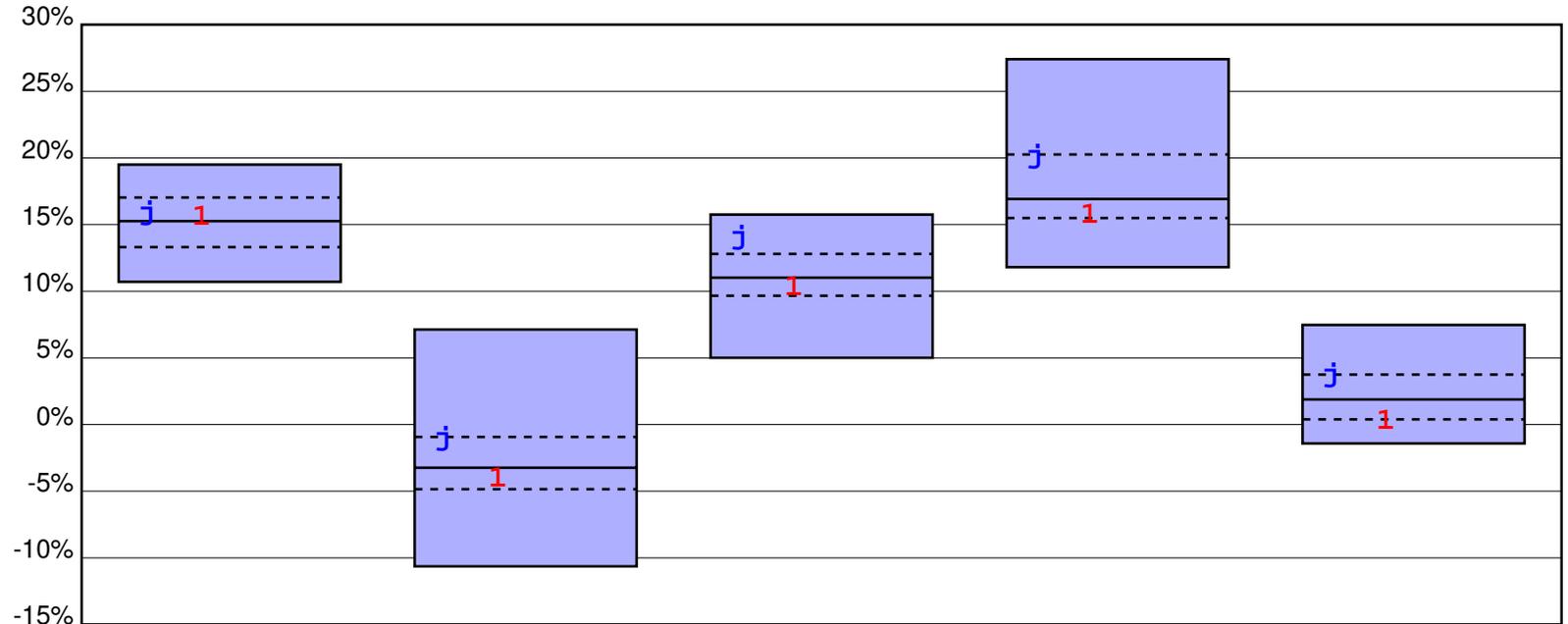
Over the 3 and 5-yr periods, Jennison out performed the Russell 2000 Index and placed within the top 26% and 25% respectively of their peer group.

Atlanta General Employees Pension Fund

Small Neutral Cumulative Performance Comparisons

Total Returns of Equity Portfolios

Periods Ending 12/11



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	19.50	7.13	15.75	27.41	7.47
25th Percentile	17.03	-0.93	12.80	20.26	3.75
Median	15.26	-3.24	11.02	16.92	1.88
75th Percentile	13.31	-4.85	9.66	15.49	0.39
95th Percentile	10.71	-10.64	5.01	11.81	-1.42
j Jennison	15.79 (32)	-1.11 (26)	13.99 (15)	20.00 (26)	3.64 (25)
1 Russell 2000	15.48 (47)	-4.17 (70)	10.25 (64)	15.63 (69)	0.15 (80)

Atlanta General Employees Pension Fund
Equity Summary Statistics
Jennison
Period Ending 12/11

	Portfolio	Russell 2000	Ten Largest Holdings	Mkt Value	% of Port	Quarterly Ret
Total Number Of Securities	111	1,966	First Rep Bk San Fra	1,735,587	2.47	32.17
Equity Market Value	70,446,119		Rbc Bearings Inc	1,525,303	2.17	22.68
Average Capitalization \$(000)	1,949,388	1,237,042	Air Methods Corp	1,312,015	1.86	32.64
Median Capitalization \$(000)	1,624,389	457,348	Heartland Express In	1,257,391	1.79	5.54
Equity Segment Yield	0.79	1.45	Teledyne Technologie	1,139,235	1.62	12.26
Equity Segment P/E - Average	19.94	26.03	B & G Foods Inc New	1,102,815	1.57	45.71
Equity Segment P/E - Median	16.64	13.55	Corporate Executive	1,101,319	1.56	28.37
Equity Segment Beta	1.30	1.45	Alliance Data System	1,100,496	1.56	12.02
Price/Book Ratio	2.30	1.68	Dresser-Rand Group I	1,096,573	1.56	23.14
Debt/Equity Ratio	44.10	52.15	Rosetta Resources In	1,047,045	1.49	27.12
Five Year Earnings Growth	6.25	4.06				

GICS Sectors	Weight		Return		Selection		
	Portfolio	Index	Portfolio	Index	Stock	Sector	Total
Energy	7.61	6.24	32.90	22.74	0.77	0.10	0.87
Materials	3.25	4.51	9.52	15.99	-0.21	-0.01	-0.22
Industrials	20.91	15.07	20.84	20.47	0.08	0.29	0.37
Consumer Discretionary	12.56	13.07	2.38	14.53	-1.53	0.00	-1.52
Consumer Staples	5.71	3.83	16.25	9.29	0.40	-0.12	0.28
Health Care	14.06	12.96	7.71	11.97	-0.60	-0.04	-0.64
Financials	13.93	22.10	23.55	15.53	1.12	-0.00	1.11
Information Technology	17.27	17.23	15.82	14.60	0.21	-0.00	0.21
Telecom. Services	3.97	0.98	6.43	8.27	-0.07	-0.22	-0.29
Utilities	0.74	4.00	14.07	10.38	0.03	0.17	0.19
	100.00	100.00	15.85	15.47	0.20	0.18	0.38

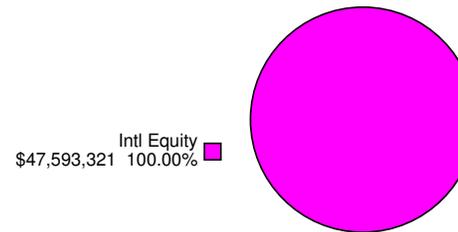
Stock Selection Return Attribution
[Portfolio Market Value Sector Percentage] * [Portfolio Sector Return - Index Sector Return]
Sector Selection Return Attribution
[Portfolio Sector Percentage - Index Sector Percentage] * [Index Sector Return - Index Total Return]
Trading Effect 0.76%
[Actual Return 16.61%] - [Buy Hold Return 15.85%]

Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Johnston							
Total Return	3.75	-7.88					
Total Return (Net of Fees)	3.42	-8.61					
MSCI ACWI ex US (Net)	3.72	-13.71					
Variance	0.03	5.83					

Asset Allocation
Johnston
December 31, 2011 \$47,593,321



JOHNSTON International Equity

OBJECTIVE

Out perform the MSCI ACWI ex US Index by 100 basis points net of management fees over a full market cycle (5 years).

The manager is expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

STRATEGY

Johnston Asset Management's International Equity product focuses on high quality companies with strong secular growth purchased below fundamental value. The Goal of the portfolio is to generate a portfolio that has lower than market risks by identifying companies with unique characteristics such as:

- Strong secular growth in current and expected earnings
- Global or local market/niche leadership
- High Quality products and Management Approach
- Attractive price entry points

The portfolio utilizes a bottom up stock selection process resulting in a concentrated portfolio of 20 -30 holdings. Maximum Industry exposure is kept within 25% for each industry. The Portfolio attempts to hold a minimum of 6 countries. Portfolio Turnover is kept below 25%.

CONCLUSIONS/RECOMMENDATIONS

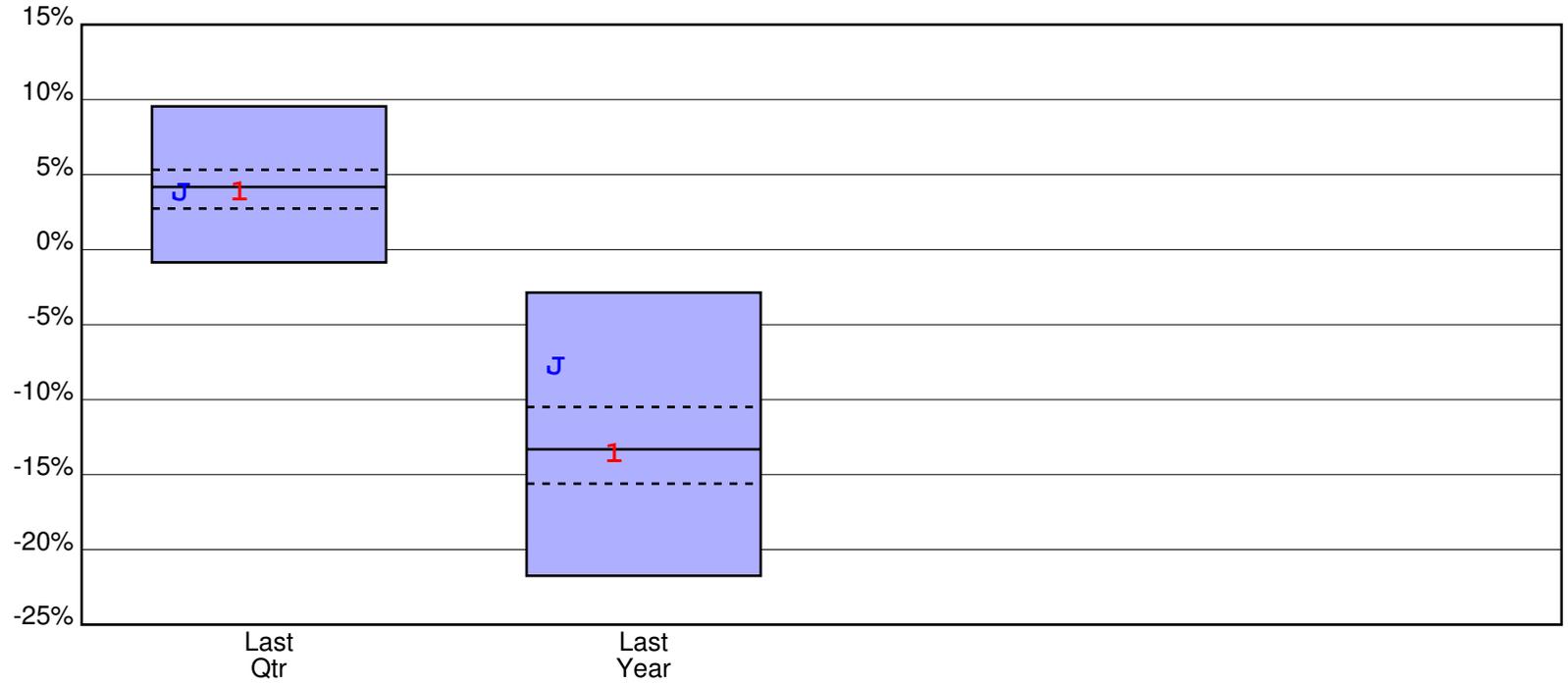
Johnston out performed the MSCI ACWI ex US (Net) during the fourth quarter 2011 and ranked in the 59th percentile of their peer group.

Johnston was funded during fourth quarter 2010.

FEE SCHEDULE

0.75% on the first \$25,000,000
0.60% on the next \$75,000,000
0.50% thereafter

Atlanta General Employees Pension Fund Cumulative Performance Comparison Total Returns of International Equity Portfolios Periods Ending 12/11



	Last Qtr	Last Year
5th Percentile	9.55	-2.86
25th Percentile	5.32	-10.49
Median	4.18	-13.31
75th Percentile	2.74	-15.60
95th Percentile	-0.85	-21.74
J Johnston	3.75 (59)	-7.88 (16)
I MSCI ACWI ex US (Net)	3.72 (60)	-13.71 (57)

Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Artisan							
Total Return	7.45	-8.68					
Total Return (Net of Fees)	7.17	-9.44					
MSCI EAFE (Net)	3.33	-12.14					
Variance	4.11	3.46					

ARTISAN PARTNERS (APHKX)
International Equity
(Mutual Fund)

OBJECTIVE

Out perform the MSCI EAFE Index by 100 basis points net of management fees over a full market cycle (5 years).

The manager is expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

STRATEGY

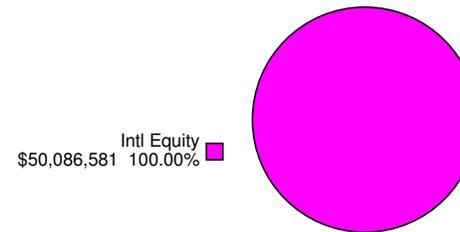
Artisan's International Equity Product focuses on undervalued, non-us companies in developed and emerging markets that are trading at a significant discount to their intrinsic value with the probability of high growth prospects over the long-term. They seek to invest in companies with a history of strong free cash flow, improving returns on capital and strong competitive positions within their respective industry. Strong balance sheets and shareholder focused companies are key criteria that are used in evaluating potential investment opportunities.

FEE SCHEDULE

1.02% on all assets

Asset Allocation
Artisan

December 31, 2011 \$50,086,581

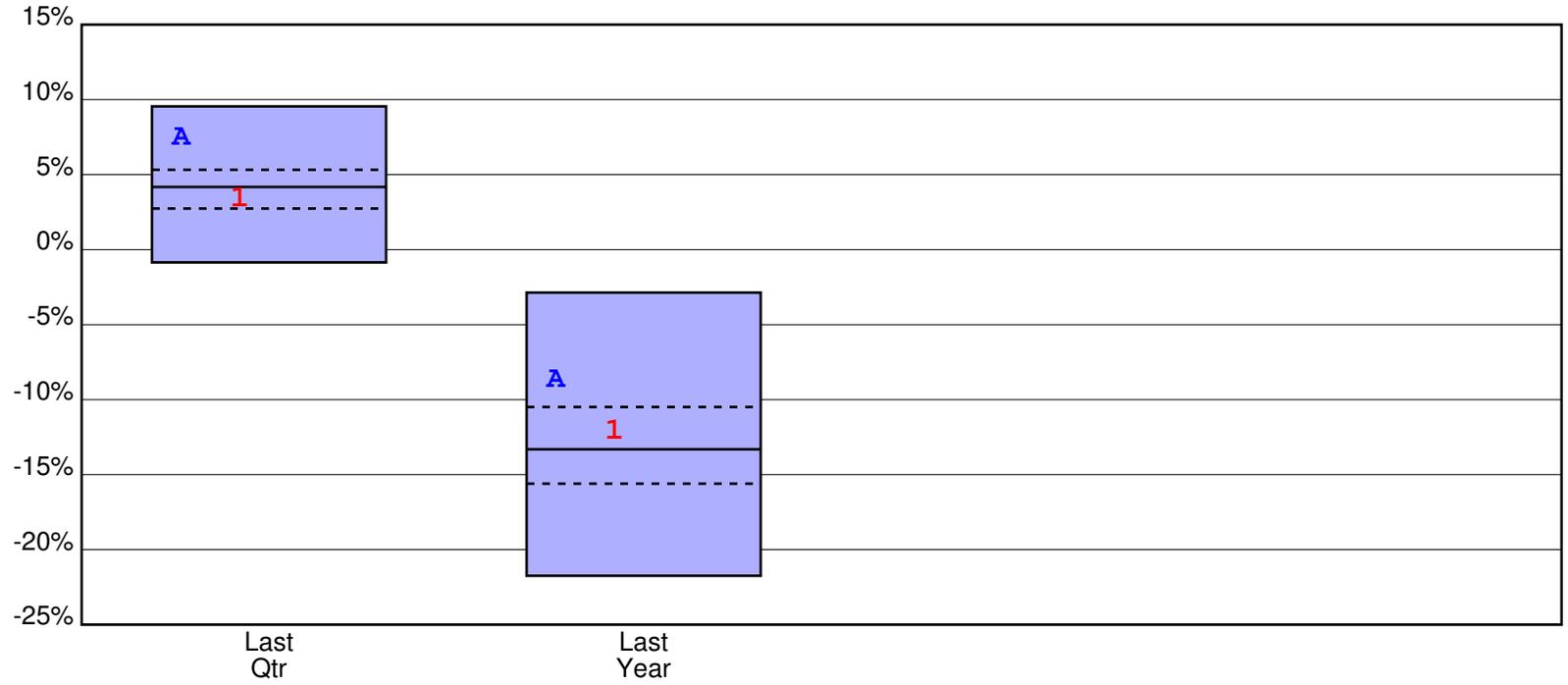


CONCLUSIONS/RECOMMENDATIONS

Artisan out performed the MSCI EAFE (Net) during the fourth quarter 2011 and ranked in the 8th percentile of their peer group.

Artisan was funded during fourth quarter 2010.

Atlanta General Employees Pension Fund Cumulative Performance Comparison Total Returns of International Equity Portfolios Periods Ending 12/11



	Last Qtr	Last Year
5th Percentile	9.55	-2.86
25th Percentile	5.32	-10.49
Median	4.18	-13.31
75th Percentile	2.74	-15.60
95th Percentile	-0.85	-21.74

A Artisan	7.45 (8)	-8.68 (18)
1 MSCI EAFE (Net)	3.33 (67)	-12.14 (40)

Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Atlanta Capital							
Total Return	0.67	5.10	5.10	4.50	5.88	5.15	5.17
Total Return (Net of Fees)	0.63	4.96	4.95	4.37	5.75	5.02	5.04
Barclays Int Govt/Credit	0.84	5.81	5.85	5.64	5.88	4.99	5.20
Variance	-0.18	-0.71	-0.75	-1.15	0.00	0.15	-0.03

ATLANTA CAPITAL (Separately Managed) Intermediate Fixed Income

OBJECTIVE

Out perform the Barclays Intermediate Government/Credit Index by 50 basis points net of management fees over a full market cycle (5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

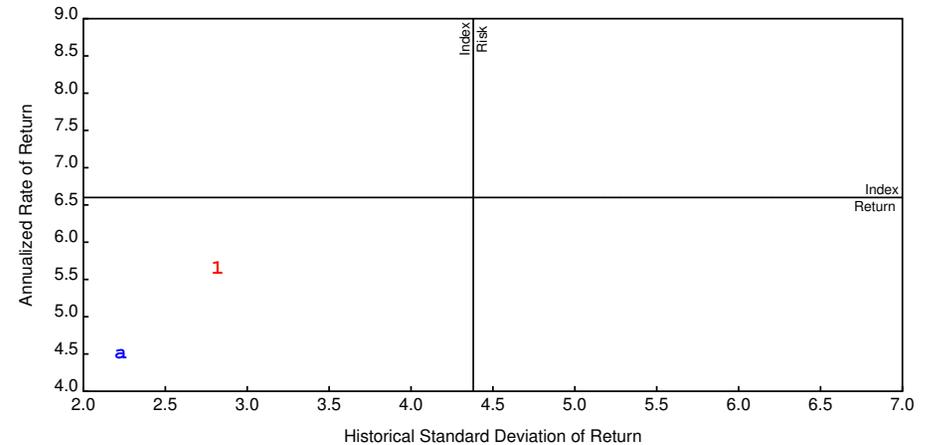
STRATEGY

Atlanta Capital uses a risk-adjusted security assessment approach. The manager invests in Treasuries and Agencies to manage the duration and provide liquidity, short-term AAA rated mortgages asset-backed securities for additional return, and opportunistically to corporates when spreads compensate lenders for the risk.

FEE SCHEDULE

0.15% on the first \$50,000,000
0.12% on the next \$100,000,000
0.115% thereafter

Return vs Risk
Total Returns



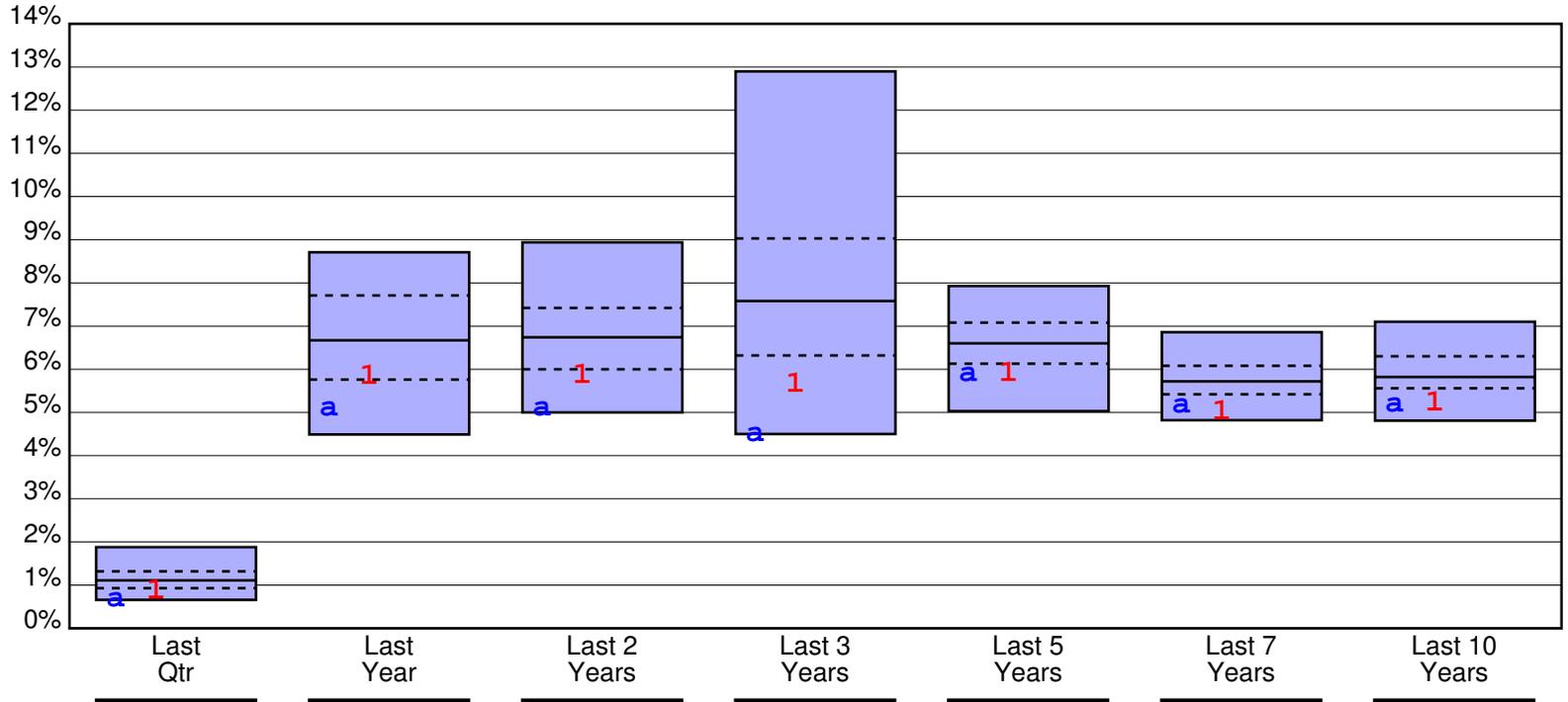
	Annualized Return	Standard Deviation
a Atlanta Capital	4.50	2.25
1 Barclays Int Govt/Credit	5.64	2.84
2 Barclays Govt/Credit	6.60	4.38

CONCLUSIONS/RECOMMENDATIONS

Atlanta Capital under performed the Barclays Int Govt/Credit Index during the fourth quarter 2011 and ranked in the 94th percentile of their peer group.

In the 3 and 5 year time periods, Atlanta Capital has under performed in the 3yr period and performed in line with the Barclays Intermediate Government/ Credit Index in the 5yr period. The manager has failed to meet performance expectations.

Atlanta General Employees Pension Fund Intermediate Term Cumulative Performance Comparisons Total Returns of Fixed Income Portfolios Periods Ending 12/11

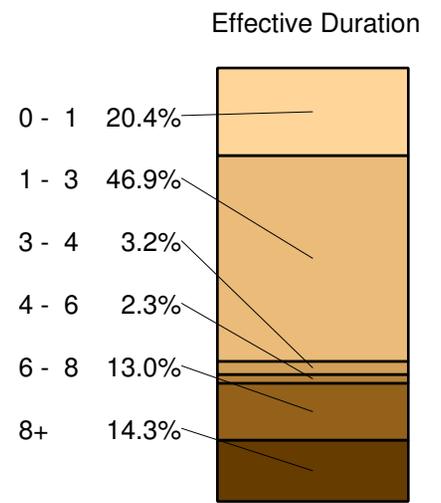
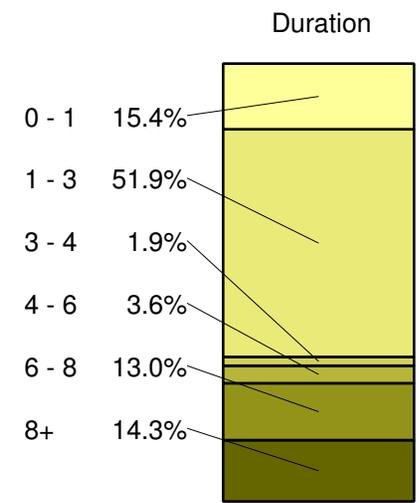
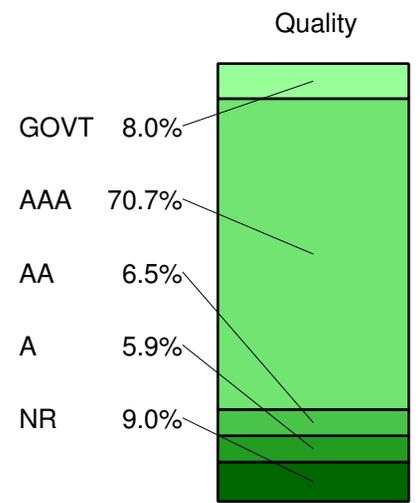
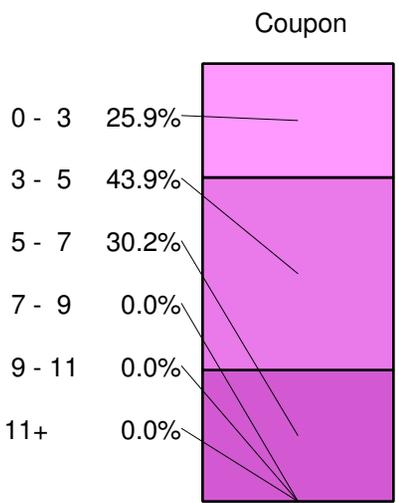
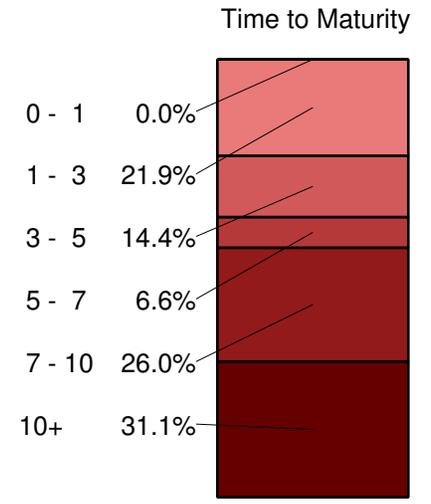
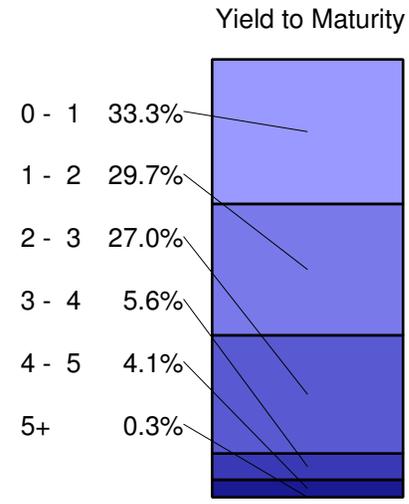


5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
5th Percentile	1.88	8.71	8.94	12.90	7.93	6.86	7.10
25th Percentile	1.32	7.71	7.42	9.03	7.08	6.08	6.30
Median	1.11	6.67	6.74	7.58	6.60	5.72	5.82
75th Percentile	0.93	5.76	6.00	6.32	6.13	5.42	5.56
95th Percentile	0.66	4.49	5.00	4.50	5.03	4.82	4.81
a Atlanta Capital	0.67 (94)	5.10 (88)	5.10 (94)	4.50 (95)	5.88 (84)	5.15 (88)	5.17 (88)
1 Barclays Int Govt/Credit	0.84 (81)	5.81 (74)	5.85 (82)	5.64 (84)	5.88 (84)	4.99 (91)	5.20 (87)

Atlanta General Employees Pension Fund Fixed Income, Mortgage and Municipals Summary Statistics Atlanta Capital Quarter Ending 12/11

	Portfolio	Barclays Int Govt/Credit
Total Number Of Securities	53	4,113
Total Market Value	77,934,076	
Yield to Maturity	1.22	1.50
Time to Maturity	9.20	4.40
Current Coupon	3.96	3.17
Duration	3.80	3.97
Effective Convexity	0.21	0.20
Effective Duration	3.55	3.97
Effective Maturity	4.52	4.40



Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
JP Morgan/Bank One							
Total Return	0.77	8.75	8.11	7.66	7.36	6.33	6.28
Total Return (Net of Fees)	0.70	8.46	7.82	7.37	7.07	6.06	6.01
Barclays U.S. Aggregate	1.12	7.84	7.19	6.77	6.50	5.60	5.78
Variance	-0.35	0.91	0.92	0.89	0.85	0.73	0.50

JP MORGAN (Separately Managed) Core Fixed Income

OBJECTIVE

Out perform the Barclays U.S. Aggregate Index by 50 basis points net of management fees over a full market cycle (5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

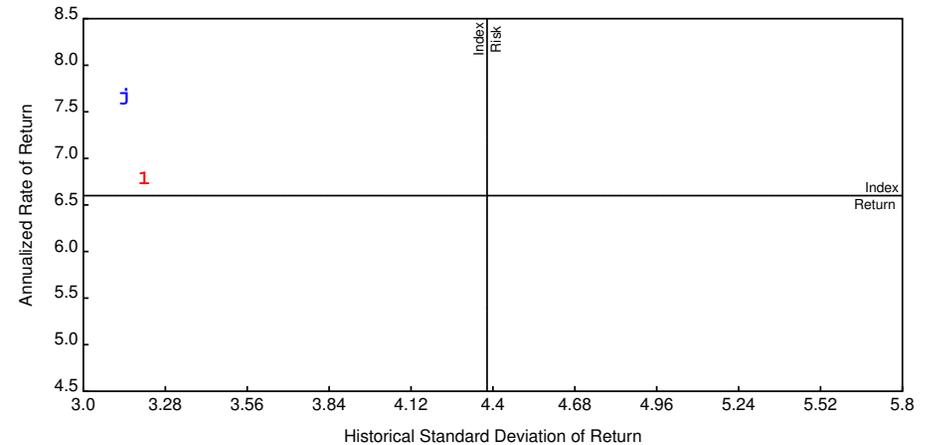
STRATEGY

JP Morgan attempts to add value by identifying securities that are inefficiently priced through a bottom-up, value-oriented approach. Sector allocations are based on sector risk/return expectations and bottom-up research. Duration management is a function of controlling the risk of the portfolio control. Yield curve management emphasis relative risk/reward relationships. The manager may only invest in investment grade securities.

FEE SCHEDULE

0.28% on the first \$75,000,000
0.20% thereafter

Return vs Risk
Total Returns



	Annualized Return	Standard Deviation
j JP Morgan/Bank One	7.66	3.15
1 Barclays U.S. Aggregate	6.77	3.22
Barclays Govt/Credit	6.60	4.38

CONCLUSIONS/RECOMMENDATIONS

JP Morgan under performed the Barclays U.S. Aggregate Index on a Net of Fee basis during the fourth quarter 2011, placing them in the top 88% of their peer group.

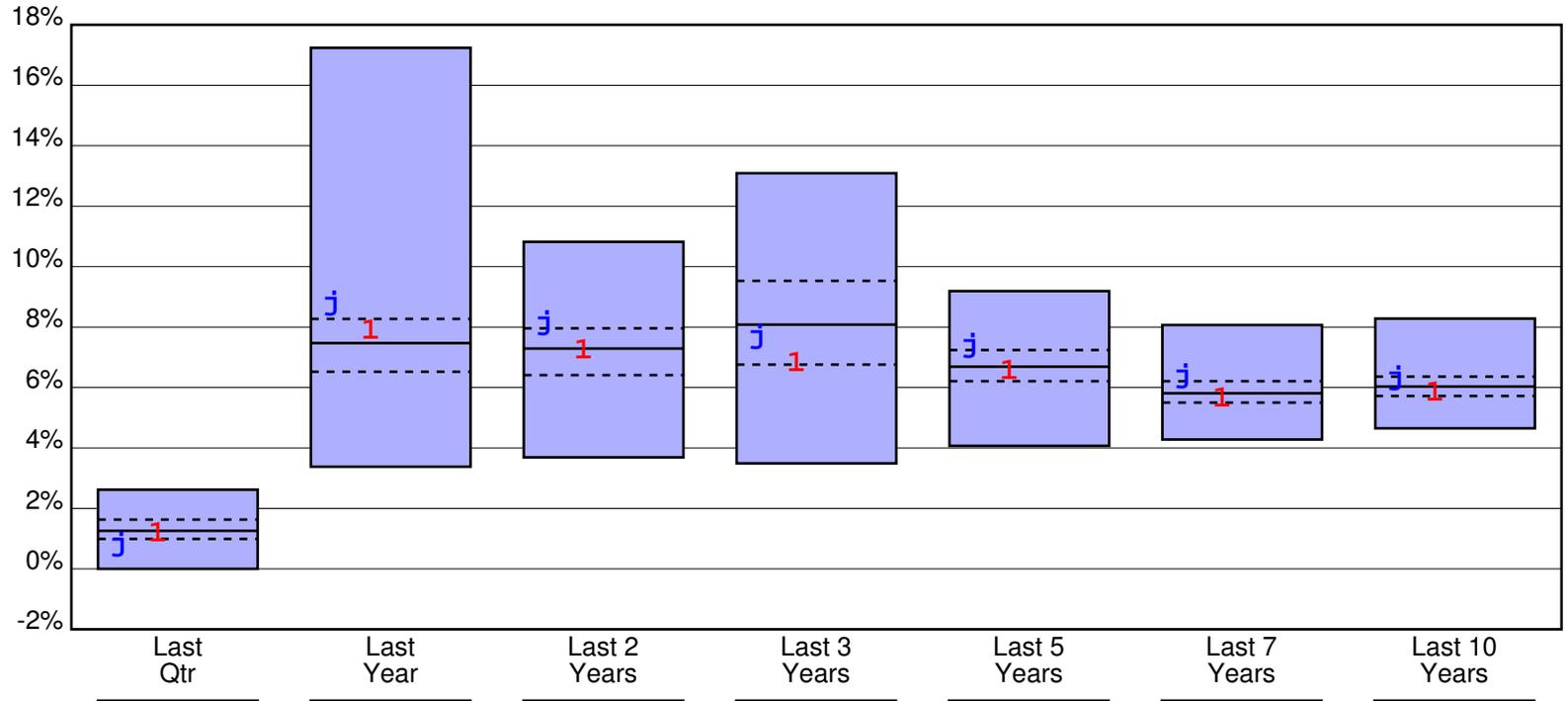
In the 5 and 10 year time period, JP Morgan out performed the Barclays U.S. Aggregate Index and ranked within the top 40% of their peer group, meeting performance expectations.

Atlanta General Employees Pension Fund

Fixed Income Core Cumulative Performance Comparisons

Total Returns of Fixed Income Portfolios

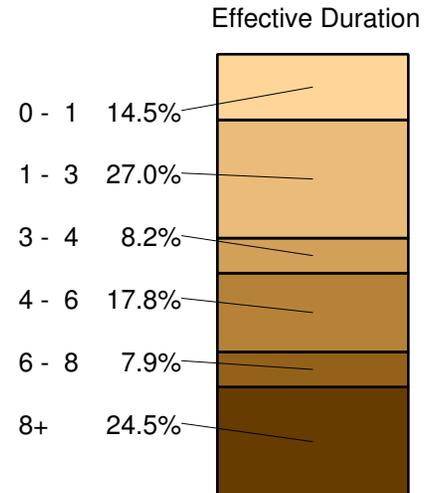
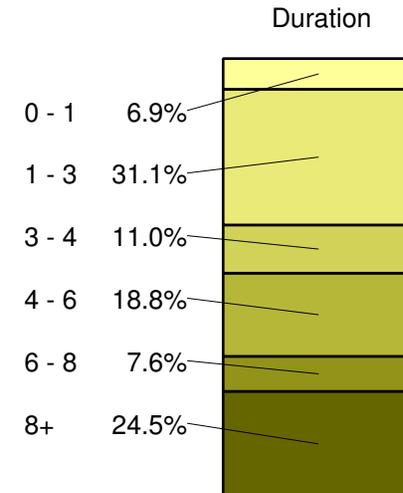
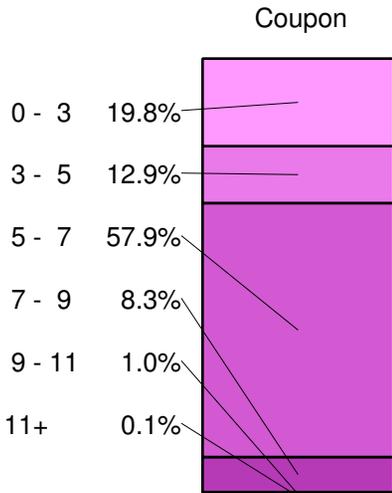
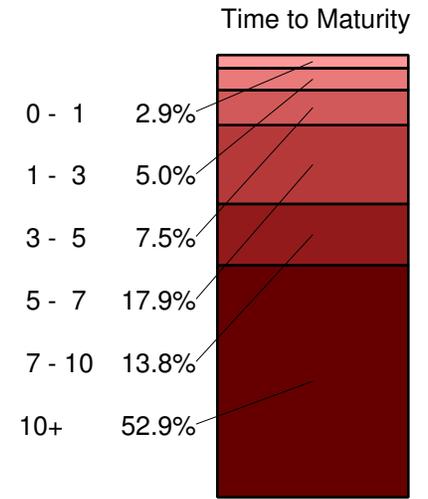
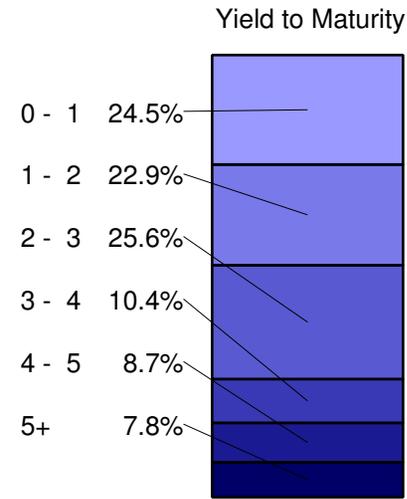
Periods Ending 12/11



	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years	Last 7 Years	Last 10 Years
5th Percentile	2.62	17.24	10.82	13.09	9.19	8.07	8.28
25th Percentile	1.63	8.27	7.96	9.53	7.24	6.21	6.36
Median	1.26	7.47	7.29	8.08	6.69	5.81	6.03
75th Percentile	0.99	6.52	6.41	6.76	6.21	5.50	5.72
95th Percentile	0.00	3.38	3.69	3.49	4.07	4.28	4.65
j JP Morgan/Bank One	0.77 (88)	8.75 (16)	8.11 (20)	7.66 (56)	7.36 (20)	6.33 (17)	6.28 (27)
1 Barclays U.S. Aggregate	1.12 (65)	7.84 (36)	7.19 (51)	6.77 (73)	6.50 (63)	5.60 (67)	5.78 (70)

Atlanta General Employees Pension Fund Fixed Income, Mortgage and Municipals Summary Statistics JP Morgan/Bank One Quarter Ending 12/11

	Portfolio	Barclays U.S. Aggregate
Total Number Of Securities	401	7,829
Total Market Value	82,225,124	
Yield to Maturity	1.87	2.24
Time to Maturity	13.35	7.13
Current Coupon	4.82	4.01
Duration	5.30	5.18
Effective Convexity	0.51	-0.45
Effective Duration	4.95	4.95
Effective Maturity	6.80	7.13



Atlanta General Employees Pension Fund December 31, 2011

Performance Summary Table
Periods Ending 12/31/11

Manager	1 Qtr	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Mesirow							
Total Return	1.31	7.84	7.68	8.81	7.30		
Total Return (Net of Fees)	1.25	7.60	7.48	8.61	7.07		
Barclays U.S. Aggregate	1.12	7.84	7.19	6.77	6.50		
Variance	0.19	-0.00	0.49	2.04	0.80		

MESIROW (Separately Managed) Core Fixed Income

OBJECTIVE

Out perform the Barclays U.S. Aggregate Index by 50 basis points net of management fees over a full market cycle (5 years).

The manager is also expected to rank in the top 40% of managers in an appropriate style peer group over a full market cycle.

STRATEGY

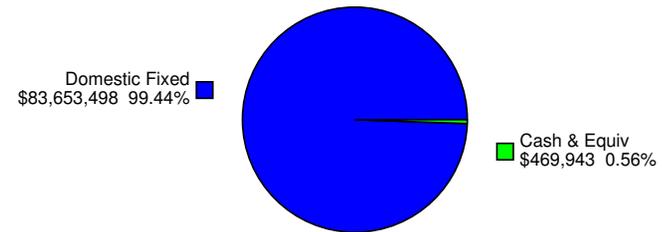
Mesirow attempts to add value by focusing on sector and security analysis. Duration management and yield curve positioning are functions of longer-term analysis. The manager may only invest in investment grade securities.

FEE SCHEDULE

0.35% on the first \$10,000,000
 0.25% on the next \$50,000,000
 0.20% on the next \$150,000,000
 0.15% on the next \$300,000,000
 0.125% on the next \$500,000,000
 0.10% thereafter

Asset Allocation Mesirow

December 31, 2011 \$84,123,441



CONCLUSIONS/RECOMMENDATIONS

Mesirow out performed the Barclays U.S. Aggregate Index by 19 basis points during the fourth quarter 2011 and placed in the 44th percentile of their peer group.

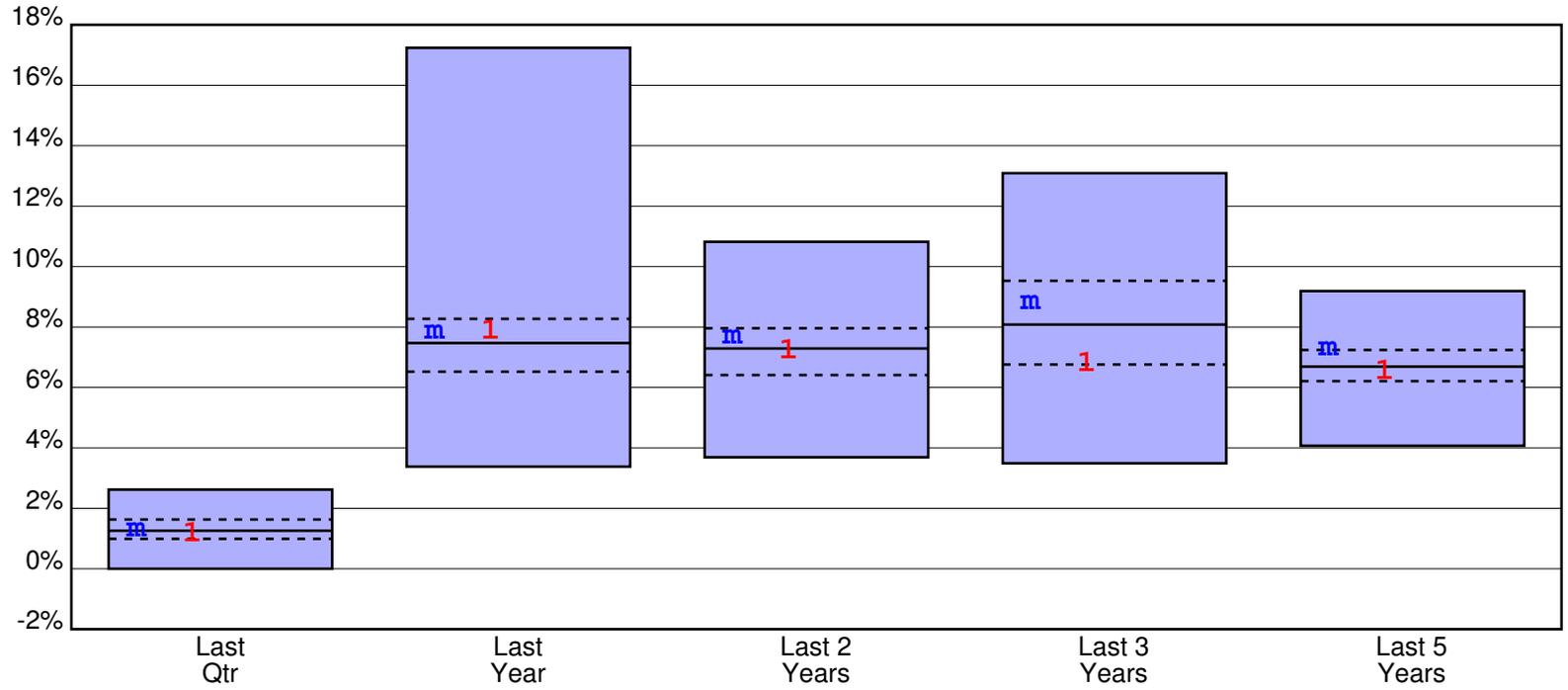
Over a 5 year time period, Mesirow has out performed the Barclays U.S. Aggregate and ranked in the 22th percentile of their peers, meeting performance expectations.

Atlanta General Employees Pension Fund

Fixed Income Core Cumulative Performance Comparisons

Total Returns of Fixed Income Portfolios

Periods Ending 12/11

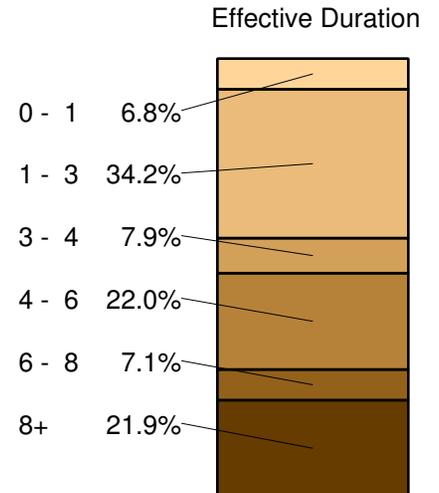
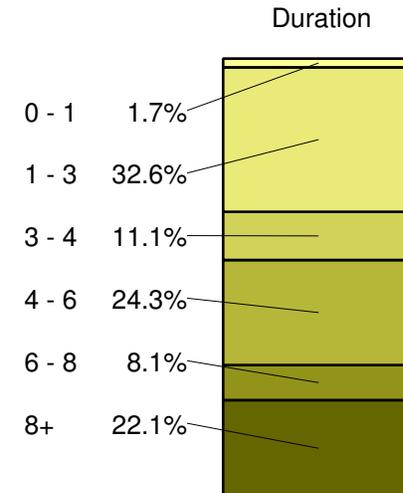
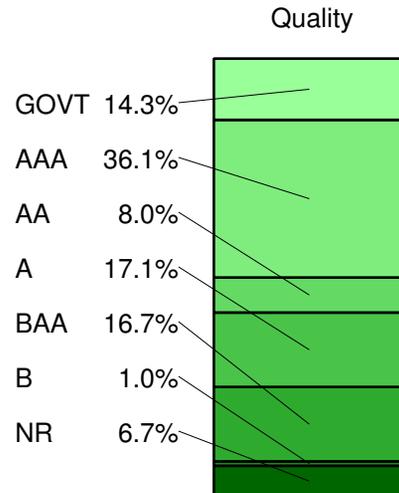
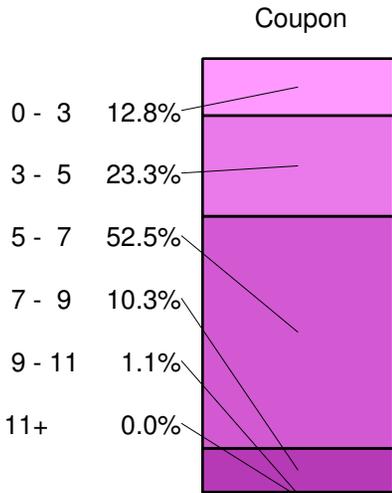
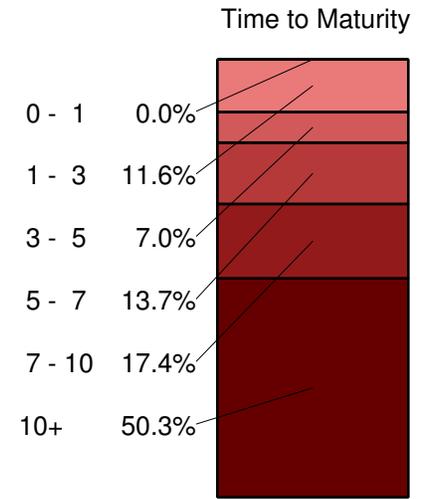
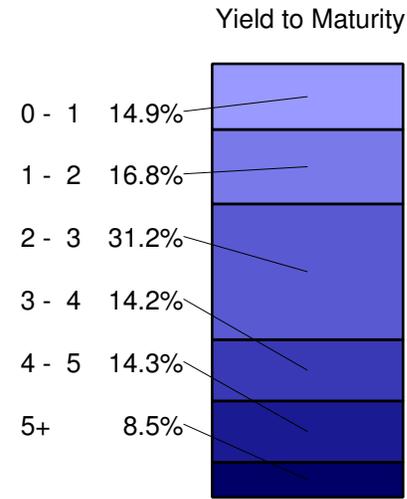


5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

	Last Qtr	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
5th Percentile	2.62	17.24	10.82	13.09	9.19
25th Percentile	1.63	8.27	7.96	9.53	7.24
Median	1.26	7.47	7.29	8.08	6.69
75th Percentile	0.99	6.52	6.41	6.76	6.21
95th Percentile	0.00	3.38	3.69	3.49	4.07
m Mesirow	1.31 (44)	7.84 (36)	7.68 (32)	8.81 (36)	7.30 (22)
1 Barclays U.S. Aggregate	1.12 (65)	7.84 (36)	7.19 (51)	6.77 (73)	6.50 (63)

Atlanta General Employees Pension Fund Fixed Income, Mortgage and Municipals Summary Statistics Mesirow Quarter Ending 12/11

	Portfolio	Barclays U.S. Aggregate
Total Number Of Securities	125	7,829
Total Market Value	83,653,498	
Yield to Maturity	2.76	2.24
Time to Maturity	14.69	7.13
Current Coupon	5.09	4.01
Duration	5.81	5.18
Effective Convexity	0.56	-0.45
Effective Duration	5.43	4.95
Effective Maturity	8.16	7.13



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**APPENDIX A
EQUITY COMMISSION REPORT**

QUARTER	Madison Square Investors	Globalt	Earnest Small Cap	New Amsterdam	Union Heritage	Jennison	Ceredex	Total
Execution	\$ 9,685	\$ 13,524	\$ 3,773	\$ -	\$ -	\$ 12,028	\$ 5,980	\$ 44,990
Research	\$ 3,582	\$ -	\$ 774	\$ -	\$ -	\$ 7,947	\$ 4,685	\$ 16,988
Client Directed								
Bank Of New York (credits)	\$ 10	\$ 2,480	\$ 38	\$ -	\$ -	\$ 2,249	\$ 4,823	\$ 9,599
Bank Of New York (payments)	\$ 233	\$ 13,112	\$ 1,036	\$ -		\$ 2,244	\$ 713	\$ 17,338
Manager Commission Recapture	\$ 13	\$ 3,444	\$ 67	\$ -	\$ -	\$ 3,124	\$ 73,659	\$ 80,307
Minority Directed/Georgia Brokers	\$ 7,276	\$ 10,080	\$ 4,841	\$ -	\$ -	\$ -	\$ -	\$ 22,197
Total	\$ 20,556	\$ 13,524	\$ 9,590	\$ -	\$ -	\$ 23,098	\$ 84,324	\$ 151,092
Avg. cents per share	\$0.01	\$0.04	\$0.04	\$0.00	\$0.04	\$0.03	\$0.03	\$0.02
% Minority Brokers/Georgia Brokers	35.4%	74.5%	50.5%		0.0%	0.0%	0.0%	14.7%
YTD	Madison Square Investors	Globalt	Earnest Small Cap	New Amsterdam	Union Heritage	Jennison	Ceredex	Total
Execution	\$ 45,498	\$ 101,292	\$ 10,515	\$ 14,996	\$ 11,921	\$ 61,061	\$ 51,156	\$ 296,438
Research	\$ 18,144	\$ -	\$ 7,936	\$ 2,611	\$ 2,241	\$ 21,235	\$ 181,806	\$ 233,973
Client Directed								
Bank of New York (credits)	\$ 2,841	\$ 25,550	\$ 1,938	\$ 9,747	\$ -	\$ 10,145	\$ 14,497	\$ 64,719
Bank of New York (payments) *	\$ 2,831	\$ 23,071	\$ 1,900	\$ 9,747		\$ 7,896	\$ 9,675	\$ 55,120
Manager Commission Recapture	\$ 13,578	\$ 35,487	\$ 3,392	\$ 10,550	\$ -	\$ 14,034	\$ 156,335	\$ 233,376
Minority Directed/Georgia Brokers	\$ 12,427	\$ 65,805	\$ 10,172	\$ 26,337	\$ 9,680	\$ -	\$ -	\$ 124,421
Total	\$ 89,646	\$ 101,292	\$ 32,149	\$ 32,625	\$ 14,161	\$ 96,330	\$ 389,297	\$ 755,499
Avg. cents per share	\$0.01	\$0.04	\$0.04	\$0.04	\$0.04	\$0.03	\$0.03	\$0.02
% Minority Brokers/Georgia Brokers	13.9%	65.0%		80.7%	68.4%	0.0%	0.0%	16.5%

*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A
EQUITY COMMISSION DETAIL REPORT**

Manager: GLOBALT, Inc.

Commission Details

Quarter Ending 31-Dec-11	
Execution	\$ 13,524
Research	\$ -
Client Directed Trading	
Majority Directed	\$ -
Minority Directed	\$ 10,080
Georgia Brokers	\$ 15,064
Commission Recapture	\$ 3,444
Total Comm. Dollars Paid	\$ 13,524
Avg. cents per share	0.04
% Minority Brokers	74.5%

Person	Firm	Commission Dollars	Minority Background*
JASON WIDENER	BNY CONVERGEX	\$3,444	
KANDY OUTLAW	JACKSON SECURITIES	\$ 4,396	AA
NATHAN LEWIS	SECURITY CAPITAL	\$ 4,012	AA
HOLLIS COPELAND JR	WILLIAMS CAPITAL GROUP	\$ 1,672	AA

* AA = African American
AS = Asian American
HS = Hispanic American
WM = Women

*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A
EQUITY COMMISSION DETAIL REPORT**

Manager: EARNEST Partners - Small Cap

Commission Details

Quarter Ending 31-Dec-11	
Execution	\$ 3,773
Research	\$ 774
Client Directed Trading	
Majority Directed	\$ -
Minority Directed	\$ 4,841
Georgia Brokers	\$ -
Commission Recapture	\$ 67
Total Comm. Dollars Paid	\$ 9,590
Avg. cents per share	0.04
% Minority Brokers	

Person	Firm	Commission Dollars	Minority Background*
TRADING DESK	CAPITALINST/SOFT DOLLAR	\$ 136.50	
TRADING DESK	KEEFE BRUYETTE AND WOODS	\$ 469.00	
TRADING DESK	LIQUIDNET	\$ 976.00	
TRADING DESK	LJR RECAPUTRE	\$ 66.50	
TRADING DESK	LOOP CAPITAL MARKETS	\$ 3,419.50	AA
TRADING DESK	MR. BEAL	\$ 1,421.00	AA
TRADING DESK	ROBERT W. BAIRD	\$ 10.50	
TRADING DESK	SALOMON SMITH BARNEY	\$ 294.00	
TRADING DESK	WILLIAMS CAPITAL	\$ 2,796.50	

* AA = African American
AS = Asian American
HS = Hispanic American
WM = Women

* AA = African American
AS = Asian American
HS = Hispanic American
WM = Women

*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A
EQUITY COMMISSION DETAIL REPORT**

Manager: Jennison

Commission Details

Quarter Ending 31-Dec-11	
Execution	\$ 12,028
Research	\$ 7,947
Client Directed Trading	
Majority Directed	
Minority Directed	\$ -
Georgia Brokers	\$ -
Commission Recapture	\$ 3,124
Total Comm. Dollars Paid	\$ 23,098
Avg. cents per share	0.03
% Minority Brokers	0.0

* AA = African American
AS = Asian American
HS = Hispanic American
WM = Women

Person	Firm	Commission Dollars	Minority Background*
	13D Research (Weeden)	\$ 175	
	Bank of America - Merrill Lynch	\$ 675	
	Barclays Capital Inc.	\$ 467	
	BLOOMBERG TRADEBOOK	\$ 110	
	BMO Capital Markets Corp.	\$ 213	
	C.S. AES (NY TRADING)	\$ 5	
	Canaccord Genuity Inc.	\$ 132	
	Cantor Fitzgerald & Co.	\$ 24	
	CITIGROUP GLOBAL MARKETS INC.	\$ 53	
	Cowen & Company, LLC	\$ 24	
	CREDIT AGRICOLE SECURITIES USA INC	\$ 38	
	CREDIT SUISSE SECURITIES USA LLC	\$ 1,090	
	CRT Capital Group LLC	\$ 198	
	Deutsche Bank Securities Inc.	\$ 2,952	
	Evercore Partners	\$ 1,381	
	FBR Capital Markets & Co.	\$ 253	
	Fidelity Capital Markets	\$ 35	
	Goldman Sachs - BIDS	\$ 196	
	Goldman Sachs - REDI+ NY Trading	\$ 322	
	Goldman, Sachs & Co.	\$ 488	
	ISI Group	\$ 23	
	ITG Inc.	\$ 144	
	J.P. Morgan Securities	\$ 963	
	Janney Montgomery Scott LLC	\$ 121	
	Jefferies & Company, Inc.	\$ 616	
	JonesTrading Institutional Service	\$ 568	
	Keefe, Bruyette & Woods, Inc.	\$ 291	
	Keybanc Capital Markets Inc.	\$ 762	
	KNIGHT CAPITAL AMERICAS, L.P.	\$ 2,635	
	Lazard Capital Markets LLC	\$ 113	
	Leerink Swann LLC	\$ 58	
	Lynch, Jones & Ryan LLC	\$ 3,124	
	Morgan Stanley & Co.	\$ 660	
	Piper Jaffray & Co.	\$ 91	
	Raymond James & Associates, Inc.	\$ 1,154	
	RBC Capital Markets- ALGO	\$ 362	
	RBC Capital Markets LLC	\$ 530	
	Robert W. Baird & Co. Incorporated	\$ 152	
	Rodman & Renshaw, LLC	\$ 17	
	Sanford C. Bernstein & Co., LLC	\$ 46	
	State Street Global Markets, LLC	\$ 39	
	Stephens Inc	\$ 0	
	Stifel, Nicolaus & Company, Inc.	\$ 171	
	SunTrust Robinson Humphrey, Inc.	\$ 12	
	Susquehanna Financial Group, LLLP	\$ 62	
	UBS Securities (F/K/A Warburg)	\$ 215	
	Weeden & Co., L.P.	\$ 564	
	Wells Fargo Securities, LLC	\$ 212	
	William Blair & Company LLC	\$ 560	

*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A
EQUITY COMMISSION DETAIL REPORT**

Manager: Ceredex

Commission Details

Quarter Ending 31-Dec-11	
Execution	\$ 5,980
Research	\$ 4,685
Client Directed Trading	
Majority Directed	\$ -
Minority Directed	\$ -
Georgia Brokers	\$ -
Commission Recapture	\$ 73,659
Total Comm. Dollars Paid	\$ 84,324
Avg. cents per share	0.03
% Minority Brokers	0.0%

Person	Firm	Commission Dollars	Minority Background*
Nathan Lewis	Security Capital Brokerage	\$66,691	
	BNY Convergenx	\$ 6,698	

* AA = African American
AS = Asian American
HS = Hispanic American
WM = Women

*Note: Some brokers fall into multiple categories. Thus, the sum of categorized trading could be greater/less than the total commission dollars paid.

**APPENDIX A
FIXED INCOME TRADES**

QUARTER		YTD	
Mesirow		Mesirow	
TOTAL DOLLAR AMOUNT	\$ 16,874,250	TOTAL DOLLAR AMOUNT	\$ 54,770,938
% TO MINORITY OWNED FIRMS	7%	% TO MINORITY OWNED FIRMS	4%
% TO MAJORITY OWNED FIRMS	93%	% TO MAJORITY OWNED FIRMS	96%
% TO GEORGIA BROKERS	0%	% TO GEORGIA BROKERS	0%
Atlanta Capital		Atlanta Capital	
TOTAL DOLLAR AMOUNT	\$ 27,721,359	TOTAL DOLLAR AMOUNT	\$ 145,478,355
NON-TREASURY/AGENCY TRADING VO	\$ 18,509,712	NON-TREASURY/AGENCY TRADING VOL.	\$ 60,670,679
% TO MINORITY OWNED FIRMS	-	% TO MINORITY OWNED FIRMS	0%
% TO MAJORITY OWNED FIRMS	100%	% TO MAJORITY OWNED FIRMS	100%
% TO GEORGIA BROKERS	70%	% TO GEORGIA BROKERS	71%

Total dollar amount is based on total firm trades.

EXPLANATIONS OF BENCHMARKS APPENDIX B

TARGET ASSET MIX

60% S&P 500, 10% MSCI EAFE, 25% BGI Aggregate, 5% 91-Day T-Bill

*New Target benchmark as of 1q2011

Indexes used to calculate target benchmarks:

Fixed Income:	Barclays Aggregate Bond Index
Large Cap. Equity:	S&P 500 (formerly Wilshire S&P 500 Buy and Hold ex South Africa)
Mid Cap. Equity:	S&P Midcap
Small Cap:	Russell 2000
International:	MSCI EAFE
Cash:	Salomon Brothers 90 T-Bill

COMPOSITE MEDIAN MANAGER

A composite of median manager returns for each asset class weighted by the Target Asset Mix.

INDEX DEFINITIONS APPENDIX C

Barclays Aggregate Bond Index

Composed of securities from Barclays Government/Corporate bond Index, Mortgage-Backed Securities index, and Yankee Bond Index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. Indexes are balanced monthly by market capitalization.

Salomon Brothers 6- Month Certificate of Deposit Index

Includes negotiable money-market securities certifying a six-month time deposit at a bank or thrift institution. The bank agrees to pay the amount deposited, plus interest, to the bearer on the date specified on the certificate. The minimum deposit is \$100,000.

Russell Midcap Index

Made up of medium-sized companies falling within the market capitalization range of approximately \$350 million to \$3.25 billion. Composed of 800 companies from the Russell 3000 Index that fall within Russell's medium to medium/small categories.

Standard & Poor's 500 Index

Covers 500 industrial, utility transportation and financial institutions in the US markets (mostly NYSE issues). The index represents about 75% of NYSE market capitalization and 30% of NYSE issues. It is a capitalization weighted index calculated on a total return basis with dividends reinvested.

UNIVERSE DEFINITIONS APPENDIX D

US Balanced accounts

Consists of investment advisor and bank portfolios. These are balanced, separately managed, fully discretionary, tax-free portfolios that have a minimum size of \$5 million. Employee benefit accounts are preferred. Portfolios include both equity and fixed income securities.

US Equity Accounts (broad)

A combination of the Equity Pooled Accounts and Equity-Oriented Separate Account Universes. Consists of investment advisor, bank and insurance company portfolios. These are equity-oriented, fully discretionary, tax-free portfolios that are at least \$5 million in size. Pooled accounts are included from investment advisors if the advisor is (1) organized as a trust company or (2) a registered investment company acting as an advisor to a bank. Mutual funds can be included if they are gross of fees.

US Fixed Income Accounts (broad)

A Combination of the Fixed-Income Pooled and Fixed-Income Separate Accounts Universe. Consists of investment advisor, bank and insurance company portfolios. These are fixed-income-oriented, fully discretionary, tax-free portfolios that are at least \$5 million in size. Pooled accounts are included from investment advisors if the advisor is (1) organized as a trust company or (2) a registered investment company acting as an advisor to a bank. Mutual funds can be included if they are gross of fees.

DEFINITIONS OF COMMON TERMS

APPENDIX E

Alpha

A measure of risk adjusted return. It is the y - intercept of the line based on ordinary least squares regression using the market's quarterly return as the independent variable and the manager's return as the dependent variable. Alpha measures the non-systematic return, which is the return which may not be attributable to the market. In simple terms, alpha is defined as the return earned by the manager over and above what the market earned.

Relative Risk/Reward Ratio

A measure of risk adjusted return relative to the market's risk adjusted return. It is calculated by first dividing the manager's return for the period by the manager's standard deviation for the period. This quotient is then divided by the quotient of the market's return for the period divided by the market's standard deviation for the period. The measure represents the manager's rate of return per unit of risk relative to the market's rate of return per unit of risk. A ratio above 1.0 indicates positive relative performance and a ratio below 1.0 indicates a negative relative performance.

Standard Deviation

A gauge of risk based on the volatility as measured by the dispersion of returns about their mean.

Style

Description of the investment strategy used to determine the investment decisions within an asset class.

Universe

A group of comparable investment styles. A Broad Universe, such as Broad Equity, refers to all styles in the Equity asset class. Style-specific universes such as Pure Small Cap, includes only styles with a high correlation to a Small Cap Index and low correlation to a large Cap index.